amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2822. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2823. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2824. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2825. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2826. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2827. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2828. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2829. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2830. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2831. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2832. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2833. Mr. MORENO submitted an amendment intended to be proposed by him to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2834. Mr. MARKEY (for himself and Mr. SANDERS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2835. Mr. MARKEY (for himself, Ms. DUCKWORTH, Mr. BOOKER, Mr. DURBIN, Mr. MERKLEY, Mr. PADILLA, Mr. WELCH, Ms. BLUNT ROCHESTER, Mr. BLUMENTHAL, Ms. WARREN, Mr. WYDEN, Mr. VAN HOLLEN, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2836. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2837. Ms. ROSEN (for herself and Ms. CORTEZ MASTO) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2838. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2839. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2840. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2841. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2842. Mr. WARNER (for himself, Mr. KELLY, Mr. KAINE, and Mr. PETERS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2843. Mr. YOUNG submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2844. Mr. SCOTT of South Carolina (for himself and Mr. TILLIS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2845. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2846. Mr. WELCH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2847. Mr. WARNER proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra.

SA 2848. Mr. GRAHAM proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra.

SA 2849. Ms. KLOBUCHAR (for herself and Mr. KELLY) proposed an amendment to amendment SA 2848 proposed by Mr. GRAHAM to the amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, supra.

SA 2850. Mr. PADILLA submitted an amendment intended to be proposed by him to the bill H.R. 1, supra; which was ordered to lie on the table.

SA 2851. Mr. PADILLA submitted an amendment intended to be proposed by him to the bill H.R. 1, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2658. Mr. SCOTT of South Carolina submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

SEC. _____. TREATMENT OF CERTAIN EXCESS PLAN ASSETS.

(a) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

(1) IN GENERAL.—Section 420 is amended by adding at the end the following new subsection:

''(h) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

''(1) IN GENERAL.—In the case of a pension plan with excess health assets for a fiscal year—

''(A) an amount equal to such excess health assets may be transferred in accordance with paragraph (3) from a health benefits account established under section 401(h),

''(B) a trust which is part of such plan shall not be treated as failing to meet the requirements of subsection (a) or (h) of section 401 solely by reason of such transfer (or any other action authorized under this subsection),

''(C) no amount shall be includible in the gross income of the employer maintaining the plan solely by reason of such transfer,

''(D) such transfer shall not be treated—

''(i) as an employer reversion for purposes of section 4980, or

''(ii) as a prohibited transaction for purposes of section 4975, and

''(E) the limitations of paragraph (4) shall apply to the employer.

''(2) EXCESS HEALTH ASSETS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'excess health assets' means the amount by which the applicable assets with respect to a retiree health plan exceed an amount equal to 125 percent of the total liability of the employer for benefits for all participants under the retiree health plan, determined in accordance with applicable accounting standards.

''(B) LIMITATION.—In determining excess health assets, there shall not be taken into account—

''(i) amounts attributable to contributions (other than transfers under any other subsection of this section, or contributions made pursuant to a legally binding commitment entered into before January 1, 2024) made after December 31, 2023, to any health benefits account established under section 401(h) with respect to the retiree health plan, or

''(ii) any reduction in the liability of the employer described in subparagraph (A) due to a reduction in benefits pursuant to an amendment to the retiree health plan adopted after December 31, 2023.

''(C) TERMINATING PLANS.—In the case of a terminating pension plan which includes a health benefits account under section 401(h), all assets in such health benefits account shall be treated as excess health assets.

''(D) APPLICABLE ASSETS.—For purposes of subparagraph (A), the term 'applicable assets' means all assets with respect to a retiree health benefits plan of an employer—

''(i) in a health benefits account established under section 401(h), or

''(ii) held by a voluntary employees' beneficiary association (as defined in section 501(c)(9)).

''(3) TRANSFERS PERMITTED.—

''(A) IN GENERAL.—A transfer under this paragraph is a transfer—

''(i) of excess health assets, in the fiscal year immediately succeeding the fiscal year with respect to which such excess health assets are determined—

''(I) to the pension plan under which a health benefits account pursuant to section 401(h) was established, or

''(II) as provided in subparagraph (B)(ii), to a voluntary employees' beneficiary association (as defined in section 501(c)(9)),

''(ii) which does not contravene any other provision of law,

''(iii) with respect to which the use requirements of subparagraphs (B) and (C) and the minimum cost and benefit requirements of paragraph (4)(B) are met, and

''(iv) with respect to which the vesting requirements of subsection (c)(2) are met (determined by treating such transfer as a qualified transfer).

''(B) USE FOR ACTIVE BENEFITS.—

''(i) IN GENERAL.—Except as provided in clause (ii), a transfer of excess health assets for purposes of this subsection shall be used only to fund the pension plan.

''(ii) TRANSFER TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION.—A transfer described in subparagraph (A)(i)(II) may be made only—

''(I) in the case of a defined benefit plan, to the extent a transfer to such plan as provided in subparagraph (A)(i)(I) would cause the plan to have a funding excess or increase the funding excess of the plan or, if the transfer is made in connection with the termination of the defined benefit plan, to the extent a transfer to such plan would exceed the amount necessary to satisfy the pension liabilities of the terminating plan, or

''(II) in the case of a pension plan which is not a defined benefit plan.

Any transfer under the preceding sentence to a voluntary employees' benefit association (as defined in section 501(c)(9)) shall be used only to pay any benefits permitted to be paid by such association to any members of such association (other than key employees not taken into account under subsection (e)(1)(E)).

''(iii) FUNDING EXCESS.—For purposes of clause (ii), the term 'funding excess' with respect to a plan year means the excess, if any, of—

''(I) the fair market value of the assets of the defined benefit plan (other than applicable assets, as defined in paragraph (2)(D)), over

''(II) 110 percent of the present value of all pension benefits earned or accrued under the plan, as determined for purposes of determining the adjusted funding target attainment percentage pursuant to section 436(j).

''(C) ONLY 1 TRANSFER PER YEAR.—No more than 1 transfer with respect to any plan may be made under subparagraph (A) during a taxable year. For purposes of the preceding sentence, any transfer portions of which are described in both subclauses (I) and (II) of subparagraph (A)(i) shall be treated as 1 transfer.

''(4) LIMITATIONS ON EMPLOYER.—

''(A) DEDUCTION LIMITATIONS.—For purposes of this title, no deduction shall be allowed—

''(i) for the transfer of any amount under paragraph (3)(A),

''(ii) for benefits paid out of the assets (and income) so transferred, or

''(iii) for any amounts to which clause (ii) does not apply and which are paid for benefits described in paragraph (3)(B)(ii) for the taxable year to the extent such amounts are not greater than the excess (if any) of—

''(I) the amount determined under clause (i) (and income allocable thereto), over

''(II) the amount determined under clause (ii).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—Each plan or arrangement under which benefits funded as described in paragraph (3)(B)(ii) are provided shall provide that—

''(i) the applicable employer cost for each of the 5 taxable years beginning with the year of the transfer under paragraph (3)(A) shall not be materially less than the higher of the applicable employer costs for the year of the 2 taxable years immediately preceding the taxable year of such transfer, or

''(ii) benefits provided under the plan or arrangement shall not be materially reduced during the 5 year period described in clause (i).

For purposes of clause (i), the term 'applicable employer cost' shall be determined under rules similar to the rules of subparagraphs (B) and (C) of subsection (c)(3), as applicable to the benefit being provided under such plan or arrangement.

''(5) COORDINATION WITH SECTIONS 430 AND 433.—In the case of any assets transferred to a pension plan pursuant to paragraph (3), such assets shall, for purposes of this section and sections 430 and 433, be treated as assets in the plan.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (h) of section 401 is amended by adding at the end the following: ''Nothing in this subsection or this section shall prevent a plan from transferring amounts from an account established under this subsection pursuant to the provisions of section 420(h).''.

(B) Subparagraph (B) of section 420(c)(1) is amended by adding at the end the following new clause:

''(iii) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—Clauses (i) and (ii) shall not apply to the amount of any excess health assets transferred from a health benefits account to the plan pursuant to subsection (h)(3)(A).''.

(C) Subsection (e) of section 420 is amended by adding at the end the following new paragraph:

''(8) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) IN GENERAL.—A qualified transfer or portion thereof shall not be subject to the limitations of subsections (b)(3), (c)(1), (f)(2)(C), or (f)(2)(E) to the extent an amount equal to such transfer (or portion) is transferred during the same taxable year under subsection (h).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—The requirements of subsection (h)(4)(B) shall apply in lieu of subsections (c)(3) and (f)(2)(D) in the case of a transfer or portion thereof to which subparagraph (A) applies.''.

(D) Subsection (l) of section 430 is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) shall be treated as assets in the plan.''.

(E) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) is amended by adding at the end the following new subsection:

''(d) TRANSFERS OF EXCESS HEALTH ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of any transfer made as permitted by section 420(h) of the Internal Revenue Code of 1986.''.

(F) Section 303(l) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(l)) is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) of such Code shall be treated as assets in the plan.''.

(G) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)) is amended by striking the period at the end and inserting '', or any transfer of excess health assets permitted under section 420(h) of such Code (as in effect on the date of the enactment of the Strengthening Benefit Plans Act of 2025).''.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)) is amended by adding at the end the following new paragraph:

''(4) TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) NOTICE TO PARTICIPANTS.—Not later than 60 days before the date of a transfer by an employee pension benefit plan of excess health assets pursuant to section 420(h)(1) of the Internal Revenue Code of 1986, the administrator of the plan shall provide notice (in such manner as the Secretary may prescribe) of such transfer to each participant and beneficiary eligible to receive benefits paid from the health benefits account under section 401(h) of such Code from which the transfer is to be made. Such notice shall include information with respect to the amount of excess health assets to be transferred, the plan or voluntary employees' beneficiary association to which the transfer is to be made, and the amount of pension benefits of the participant which will be nonforfeitable immediately after the transfer.

''(B) NOTICE TO SECRETARIES, ETC.—Rules similar to the rules of paragraph (2) shall apply for purposes of this paragraph.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2024.

(b) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

(1) IN GENERAL.—Section 401 is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

''(1) IN GENERAL.—

''(A) TRANSFER PERMITTED.—If an employer maintaining a defined benefit plan establishes or maintains a defined contribution plan which would be a qualified replacement plan (as defined in section 4980(d)(2)) with respect to the defined benefit plan but for the fact that the defined benefit plan is not terminated, subject to the requirements of paragraphs (3) and (4), any surplus assets of the defined benefit plan may be transferred to the defined contribution plan.

''(B) TREATMENT OF AMOUNT TRANSFERRED.—In the case of the transfer of any amount under subparagraph (A)—

''(i) such amount shall not be includible in the gross income of the employer,

''(ii) no deduction shall be allowable with respect to such transfer, and

''(iii) such transfer shall not be treated as an employer reversion for purposes of section 4980.

''(2) SURPLUS ASSETS.—For purposes of this subsection, the term 'surplus assets' means the excess of assets of the defined benefit plan over an amount equal to 110 percent of the value of plan liabilities used to determine premiums imposed under title IV of the Employee Retirement Income Security Act of 1974 for the plan year of the transfer.

''(3) VESTING OF BENEFITS.—The requirements of this paragraph are met if all benefits under the defined benefit plan become nonforfeitable in the same manner which would be required if the plan had terminated immediately before the transfer (or in the case of a participant who separated during the 1-year period ending on the date of the transfer, immediately before such separation).

''(4) NO REDUCTION IN BENEFITS.—The requirements of this paragraph are met if, during the period beginning with the year of the transfer and ending 4 plan years after the last plan year during which the replacement plan is funded by the transfer, no benefits under the replacement plan are reduced.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(e) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of

any transfer made as permitted by section 401(p) of the Internal Revenue Code of 1986.''.

(B) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)), as amended by subsection (a), is further amended by inserting ''or of surplus defined benefit plan assets permitted under section 401(p) of such Code (as so in effect)'' before the period at the end.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

''(5) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—Rules similar to the rules of paragraph (4) shall apply in the case of any transfer by an employee pension benefit plan of surplus defined benefit plan assets pursuant to section 401(p) of the Internal Revenue Code of 1986.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years beginning after December 31, 2025.

SA 2659. Ms. ERNST submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70521 and insert the following:

SEC. 70521. EXTENSION AND MODIFICATION OF CLEAN FUEL PRODUCTION CREDIT.

(a) PROHIBITION ON FOREIGN FEEDSTOCKS.—

(1) IN GENERAL.—Section 45Z(f)(1)(A) is amended—

(A) in clause (i)(II)(bb), by striking ''and'' at the end,

(B) in clause (ii), by striking the period at the end and inserting '', and'', and

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

''(iii) such fuel is exclusively derived from a feedstock which was produced or grown in the United States, Mexico, or Canada.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to transportation fuel produced after December 31, 2025.

(b) PROHIBITION ON NEGATIVE EMISSION RATES.—

(1) IN GENERAL.—Section 45Z(b)(1) is amended—

(A) by striking subparagraph (C) and inserting the following:

''(C) ROUNDING OF EMISSIONS RATE.—The Secretary may round the emissions rates under subparagraph (B) to the nearest multiple of 5 kilograms of CO2e per mmBTU.'', and

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

''(E) PROHIBITION ON NEGATIVE EMISSION RATES.—For purposes of this section, the emissions rate for a transportation fuel may not be less than zero.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to emissions rates published for transportation fuel produced after December 31, 2025.

(c) DETERMINATION OF EMISSIONS RATE.—

(1) IN GENERAL.—Section 45Z(b)(1)(B) is amended by adding at the end the following new clauses:

''(iv) EXCLUSION OF INDIRECT LAND USE CHANGES.—Notwithstanding clauses (i), (ii), and (iii), the emissions rate shall be adjusted as necessary to exclude any emissions attributed to indirect land use change. Any such adjustment shall be based on regulations or methodologies determined by the Secretary.

''(v) ANIMAL MANURES.—With respect to any transportation fuel which is derived from animal manure, the Secretary—

''(I) shall provide a distinct emissions rate with respect to such fuel based on the specific animal manure feedstock, which may include dairy manure, swine manure, poultry manure, or any other sources as are determined appropriate by the Secretary, and

''(II) notwithstanding subparagraph (E), may provide an emissions rate that is less than zero.''.

(2) CONFORMING AMENDMENT.—Section 45Z(b)(1)(B)(i) is amended by striking ''clauses (ii) and (iii)'' and inserting ''clauses (ii), (iii), (iv), and (v)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to emissions rates published for transportation fuel produced after December 31, 2025.

(d) EXTENSION OF CLEAN FUEL PRODUCTION CREDIT.—Section 45Z(g) is amended by striking ''December 31, 2027'' and inserting ''December 31, 2029''.

(e) PREVENTING DOUBLE CREDIT.—Section 45Z(d)(5) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by striking ''and'' at the end,

(B) in clause (iii), by striking the period at the end and inserting '', and'', and

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

''(iv) except as provided under subsection (f)(8), is not produced from a fuel for which a credit under this section is allowable.'', and

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

''(C) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations or other guidance as the Secretary determines necessary to carry out the purposes of subparagraph (A)(iv).''.

(f) SALES TO UNRELATED PERSONS.—Section 45Z(f)(3) is amended by adding at the end the following: ''The Secretary may prescribe additional related person rules similar to the rule described in the preceding sentence for entities which are not described in such sentence, including rules for related persons with respect to which the taxpayer has reason to believe will sell fuel to an unrelated person in a manner described in subsection (a)(4).''.

(g) TREATMENT OF SUSTAINABLE AVIATION FUEL.—

(1) COORDINATION OF CREDITS.—

(A) IN GENERAL.—Section 45Z(a)(3) is amended—

(i) in the heading, by striking ''SPECIAL'' and inserting ''ADJUSTED'', and

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

''(C) COORDINATION OF CREDITS.—In the case of a transportation fuel which is sustainable aviation fuel which is sold before October 1, 2025, the amount of the credit determined under paragraph (1) with respect to any gallon of such fuel shall be reduced by an amount equal to the amount of the sustainable aviation fuel credit allowable under section 6426(k)(1).''.

(B) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fuel sold after December 31, 2024.

(2) SPECIAL RULE FOR ETHANOL AND SUSTAINABLE AVIATION FUEL PRODUCTION.—

(A) IN GENERAL.—Section 45Z(f) is amended by adding at the end the following new paragraph:

''(8) SPECIAL RULE FOR ETHANOL AND SUSTAINABLE AVIATION FUEL PRODUCTION.—

''(A) IN GENERAL.—In the case of sustainable aviation fuel produced using alcohol-to-jet processes where the ethanol feedstock is produced by a taxpayer at a qualified facility, both—

''(i) the taxpayer producing the ethanol feedstock, and

''(ii) the taxpayer producing the sustainable aviation fuel,

may claim the clean fuel production credit under this section with respect to their respective production activities, provided that each taxpayer meets the requirements of this section, including registration under section 4101 and certification requirements under subsection (f)(4).

''(B) DIFFERENT FEEDSTOCKS AND PRODUCTS.—For purposes of this paragraph, ethanol and sustainable aviation fuel shall be treated as distinct products derived from distinct production processes, and the credit allowed under this section shall not be denied to either taxpayer solely because the other taxpayer claims a credit for their respective production.

''(C) COORDINATION TO PREVENT DUPLICATION.—The Secretary shall prescribe regulations to ensure that the credits claimed under this paragraph are not duplicative and that the emissions factors and lifecycle greenhouse gas emissions calculations appropriately reflect the contributions of each taxpayer.''.

(B) DEFINITION.—Section 45Z(d) is amended by adding at the end the following new paragraph:

''(6) ALCOHOL-TO-JET PROCESSES.—The term 'alcohol-to-jet processes' means processes for producing sustainable aviation fuel in which ethanol or other alcohols are used as the primary feedstock, as determined by the Secretary in accordance with applicable standards, including ASTM International Standard D7566.''.

(C) GUIDANCE.—Section 45Z(e) is amended by adding at the end the following: ''The Secretary shall issue additional guidance, as necessary, for the implementation and application of credits determined under this section for ethanol and sustainable aviation fuel producers under subsection (f)(8).''

(D) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fuel produced and sold after December 31, 2024.

(h) SUSTAINABLE AVIATION FUEL CREDIT.—Section 6426(k) is amended by adding at the end the following new paragraph:

''(4) TERMINATION.—This subsection shall not apply to any sale or use for any period after September 30, 2025.''.

(i) REGISTRATION OF PRODUCERS OF FUEL ELIGIBLE FOR CLEAN FUEL PRODUCTION CREDIT.—

(1) IN GENERAL.—Section 13704(b)(5) of Public Law 117-169 is amended by striking ''after 'section 6426(k)(3)),''' and inserting ''after 'section 40B),''''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to transportation fuel produced after December 31, 2024.

(j) EXTENSION AND MODIFICATION OF SMALL AGRI-BIODIESEL PRODUCER CREDIT.—

(1) IN GENERAL.—Section 40A is amended—

(A) in subsection (b)(4)—

(i) in subparagraph (A), by striking ''10 cents'' and inserting ''20 cents'',

(ii) in subparagraph (B), by inserting ''in a manner which complies with the requirements under section 45Z(f)(1)(A)(iii)'' after ''produced by an eligible small agri-biodiesel producer'', and

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

''(D) COORDINATION WITH CLEAN FUEL PRODUCTION CREDIT.—The credit determined under this paragraph with respect to any gallon of fuel shall be in addition to any credit determined under section 45Z with respect to such gallon of fuel.'', and

(B) in subsection (g), by inserting ''(or, in the case of the small agri-biodiesel producer

credit, any sale or use after December 31, 2026)'' after ''December 31, 2024''.

(2) TRANSFER OF CREDIT.—Section 6418(f)(1)(A) is amended by adding at the end the following new clause:

''(xii) So much of the biodiesel fuels credit determined under section 40A which consists of the small agri-biodiesel producer credit determined under subsection (b)(4) of such section.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to fuel sold or used after June 30, 2025.

(k) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

(1) IN GENERAL.—Section 45Z(f), as amended by preceding provisions of this Act, is amended by adding at the end the following new paragraph:

''(9) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year beginning after the date of enactment of this paragraph if the taxpayer is a specified foreign entity (as defined in section 7701(a)(51)(B)).

''(B) OTHER PROHIBITED FOREIGN ENTITIES.—No credit shall be determined under subsection (a) for any taxable year beginning after the date which is 2 years after the date of enactment of this paragraph if the taxpayer is a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).''.

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

SA 2660. Mr. COTTON submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESTORATION OF TAXABLE REIT SUBSIDIARY ASSET TEST.

(a) IN GENERAL.—Section 856(c)(4)(B)(ii) of the Internal Revenue Code of 1986 is amended by striking ''20 percent'' and inserting ''25 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2661. Mr. MORAN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of section 70435 insert the following:

(d) ACRE TECHNICAL FIX.—Section 139L, as added by subsection (a), is amended by striking subsection (d) and inserting the following:

''(d) COORDINATION WITH SECTION 265.—In the case of any qualified real estate loan, section 265 shall be applied—

''(1) by substituting '25 percent of interest on indebtedness' for 'Interest on indebtedness' in subsection (a)(2) of such section;

''(2) by treating any qualified real estate loan as an obligation described in subsection (a)(2) of such section the interest on which is wholly exempt from the taxes imposed by this subtitle;

''(3) by treating 25 percent of the adjusted basis of any qualified real estate loan as adjusted basis of a tax-exempt obligation described in subsection (b)(4)(B) of such section; and

''(4) by substituting ''25 percent of the amount of such indebtedness for 'the amount of such indebtedness' in subsection (b)(6)(A)(a)(ii) of such section.''.

SA 2662. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 83004.

SA 2663. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 100051.

SA 2664. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 100052.

SA 2665. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike part I of subtitle A of title X.

SA 2666. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 88001.

SA 2667. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 90001.

SA 2668. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 88001.

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

SEC. 90008. HIRING AND DEPLOYMENT OF CHILD WELFARE PROFESSIONALS.

In addition to amounts otherwise available, there is appropriated to the Department of Homeland Security for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000,000, to remain available until September 30, 2029, for the hiring and deployment of child welfare professionals at the Office of Health Security.

SA 2669. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71121.

SA 2670. Mrs. SHAHEEN (for herself and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70523 and insert the following:

SEC. ___. REQUIREMENTS WITH RESPECT TO COST-SHARING FOR CERTAIN INSULIN PRODUCTS.

(a) IN GENERAL.—Part D of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–111 et seq.) is amended by adding at the end the following:

''SEC. 2799A–11. REQUIREMENTS WITH RESPECT TO COST-SHARING FOR CERTAIN INSULIN PRODUCTS.

''(a) IN GENERAL.—For plan years beginning on or after January 1, 2026, a group health plan or health insurance issuer offering group or individual health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not—

''(1) apply any deductible; or

''(2) impose any cost-sharing requirements in excess of, per 30-day supply—

''(A) for any applicable plan year beginning before January 1, 2027, $35; or

''(B) for any plan year beginning on or after January 1, 2027, the lesser of—

''(i) $35; or

''(ii) the amount equal to 25 percent of the negotiated price of the selected insulin product net of all price concessions received by or on behalf of the plan or issuer, including price concessions received by or on behalf of third-party entities providing services to the plan or issuer, such as pharmacy benefit management services or third party administrators.

''(b) DEFINITIONS.—In this section:

''(1) SELECTED INSULIN PRODUCTS.—The term 'selected insulin products' means, for any plan year beginning on or after January 1, 2026, at least one of each dosage form (such as vial, pen, or inhaler dosage forms) of each different type (such as rapid-acting, short-acting, intermediate-acting, long-acting, and pre-mixed) of insulin, when such form is licensed and marketed, as selected by the group health plan or health insurance issuer.

''(2) INSULIN.—The term 'insulin' means insulin that is licensed under subsection (a) or (k) of section 351 and continues to be marketed pursuant to such licensure.

''(c) OUT-OF-NETWORK PROVIDERS.—Nothing in this section requires a plan or issuer that has a network of providers to provide benefits for selected insulin products described in

this section that are delivered by an out-of-network provider, or precludes a plan or issuer that has a network of providers from imposing higher cost-sharing than the levels specified in subsection (a) for selected insulin products described in this section that are delivered by an out-of-network provider.

''(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group health plan or health insurance coverage from imposing cost-sharing other than the levels specified in subsection (a) on, insulin products that are not selected insulin products, to the extent that such coverage is not otherwise required and such cost-sharing is otherwise permitted under Federal and applicable State law.

''(e) APPLICATION OF COST-SHARING TOWARDS DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any cost-sharing payments made pursuant to subsection (a)(2) shall be counted toward any deductible or out-of-pocket maximum that applies under the plan or coverage.

''(f) OTHER REQUIREMENTS.—A group health plan or health insurance issuer offering group or individual health insurance coverage shall not impose, directly or through an entity providing pharmacy benefit management services, any prior authorization or other medical management requirement, or other similar conditions, on selected insulin products, except as clinically justified for safety reasons, to ensure reasonable quantity limits and as specified by the Secretary.''.

(b) NO EFFECT ON OTHER COST-SHARING.—Section 1302(d)(2) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(d)(2)) is amended by adding at the end the following new subparagraph:

''(D) SPECIAL RULE RELATING TO INSULIN COVERAGE.—For plans years beginning on or after January 1, 2027, the exemption of coverage of selected insulin products (as defined in section 2799A–11(b) of the Public Health Service Act) from the application of any deductible pursuant to section 2799A–11(a)(1) of such Act, section 726(a)(1) of the Employee Retirement Income Security Act of 1974, or section 9826(a)(1) of the Internal Revenue Code of 1986 shall not be considered when determining the actuarial value of a qualified health plan under this subsection.''.

(c) COVERAGE OF CERTAIN INSULIN PRODUCTS UNDER CATASTROPHIC PLANS.—Section 1302(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(e)) is amended by adding at the end the following:

''(4) COVERAGE OF CERTAIN INSULIN PRODUCTS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1)(B)(i), a health plan described in paragraph (1) shall provide coverage of selected insulin products, in accordance with section 2799A–11 of the Public Health Service Act, before an enrolled individual has incurred, during the plan year, cost-sharing expenses in an amount equal to the annual limitation in effect under subsection (c)(1) for the plan year.

''(B) TERMINOLOGY.—For purposes of subparagraph (A)—

''(i) the term 'selected insulin products' has the meaning given such term in section 2799A–11(b) of the Public Health Service Act; and

''(ii) the requirements of section 2799A–11 of such Act shall be applied by deeming each reference in such section to 'individual health insurance coverage' to be a reference to a plan described in paragraph (1).''.

(d) ERISA.—

(1) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:

''SEC. 726. REQUIREMENTS WITH RESPECT TO COST-SHARING FOR CERTAIN INSULIN PRODUCTS.

''(a) IN GENERAL.—For plan years beginning on or after January 1, 2026, a group health plan or health insurance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not—

''(1) apply any deductible; or

''(2) impose any cost-sharing requirements in excess of, per 30-day supply—

''(A) for any applicable plan year beginning before January 1, 2027, $35; or

''(B) for any plan year beginning on or after January 1, 2027, the lesser of—

''(i) $35; or

''(ii) the amount equal to 25 percent of the negotiated price of the selected insulin product net of all price concessions received by or on behalf of the plan or issuer, including price concessions received by or on behalf of third-party entities providing services to the plan or issuer, such as pharmacy benefit management services or third party administrators.

''(b) DEFINITIONS.—In this section:

''(1) SELECTED INSULIN PRODUCTS.—The term 'selected insulin products' means, for any plan year beginning on or after January 1, 2026, at least one of each dosage form (such as vial, pen, or inhaler dosage forms) of each different type (such as rapid-acting, short-acting, intermediate-acting, long-acting, and pre-mixed) of insulin, when such form is licensed and marketed, as selected by the group health plan or health insurance issuer.

''(2) INSULIN.—The term 'insulin' means insulin that is licensed under subsection (a) or (k) of section 351 of the Public Health Service Act (42 U.S.C. 262) and continues to be marketed pursuant to such licensure.

''(c) OUT-OF-NETWORK PROVIDERS.—Nothing in this section requires a plan or issuer that has a network of providers to provide benefits for selected insulin products described in this section that are delivered by an out-of-network provider, or precludes a plan or issuer that has a network of providers from imposing higher cost-sharing than the levels specified in subsection (a) for selected insulin products described in this section that are delivered by an out-of-network provider.

''(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group health plan or health insurance coverage from imposing cost-sharing other than the levels specified in subsection (a) on, insulin products that are not selected insulin products, to the extent that such coverage is not otherwise required and such cost-sharing is otherwise permitted under Federal and applicable State law.

''(e) APPLICATION OF COST-SHARING TOWARDS DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any cost-sharing payments made pursuant to subsection (a)(2) shall be counted toward any deductible or out-of-pocket maximum that applies under the plan or coverage.

''(f) OTHER REQUIREMENTS.—A group health plan or health insurance issuer offering group health insurance coverage shall not impose, directly or through an entity providing pharmacy benefit management services, any prior authorization or other medical management requirement, or other similar conditions, on selected insulin products, except as clinically justified for safety reasons, to ensure reasonable quantity limits and as specified by the Secretary.''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.) is amended by inserting after the item relating to section 725 the following:

''Sec. 726. Requirements with respect to cost-sharing for certain insulin products.''.

(e) INTERNAL REVENUE CODE.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 9826. REQUIREMENTS WITH RESPECT TO COST-SHARING FOR CERTAIN INSULIN PRODUCTS.

''(a) IN GENERAL.—For plan years beginning on or after January 1, 2026, a group health plan shall provide coverage of selected insulin products, and with respect to such products, shall not—

''(1) apply any deductible; or

''(2) impose any cost-sharing requirements in excess of, per 30-day supply—

''(A) for any applicable plan year beginning before January 1, 2027, $35; or

''(B) for any plan year beginning on or after January 1, 2027, the lesser of—

''(i) $35; or

''(ii) the amount equal to 25 percent of the negotiated price of the selected insulin product net of all price concessions received by or on behalf of the plan, including price concessions received by or on behalf of third-party entities providing services to the plan, such as pharmacy benefit management services or third party administrators.

''(b) DEFINITIONS.—In this section:

''(1) SELECTED INSULIN PRODUCTS.—The term 'selected insulin products' means, for any plan year beginning on or after January 1, 2026, at least one of each dosage form (such as vial, pen, or inhaler dosage forms) of each different type (such as rapid-acting, short-acting, intermediate-acting, long-acting, and pre-mixed) of insulin, when such form is licensed and marketed, as selected by the group health plan.

''(2) INSULIN.—The term 'insulin' means insulin that is licensed under subsection (a) or (k) of section 351 of the Public Health Service Act (42 U.S.C. 262) and continues to be marketed pursuant to such licensure.

''(c) OUT-OF-NETWORK PROVIDERS.—Nothing in this section requires a plan that has a network of providers to provide benefits for selected insulin products described in this section that are delivered by an out-of-network provider, or precludes a plan that has a network of providers from imposing higher cost-sharing than the levels specified in subsection (a) for selected insulin products described in this section that are delivered by an out-of-network provider.

''(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group health plan from imposing cost-sharing other than the levels specified in subsection (a) on, insulin products that are not selected insulin products, to the extent that such coverage is not otherwise required and such cost-sharing is otherwise permitted under Federal and applicable State law.

''(e) APPLICATION OF COST-SHARING TOWARDS DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any cost-sharing payments made pursuant to subsection (a)(2) shall be counted toward any deductible or out-of-pocket maximum that applies under the plan.

''(f) OTHER REQUIREMENTS.—A group health plan shall not impose, directly or through an entity providing pharmacy benefit management services, any prior authorization or other medical management requirement, or other similar conditions, on selected insulin products, except as clinically justified for safety reasons, to ensure reasonable quantity limits and as specified by the Secretary''.

(2) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 100 of

such Code, as amended by this Act, is further amended by adding at the end the following new item:

''Sec. 9827. Requirements with respect to cost-sharing for certain insulin products.''.

SEC. ___. APPLICATION TO RETIREE AND CERTAIN SMALL GROUP PLANS.

(a) ERISA.—Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking ''section 711'' and inserting ''sections 711 and 726''.

(b) IRC.—The Internal Revenue Code of 1986 is amended—

(1) in section 9831(a), by adding at the end the following flush text:

''Paragraph (2) shall not apply to the requirements under sections 9811 and 9826.''; and

(2) in section 4980D(d)(1), by striking ''section 9811'' and inserting ''sections 9811 and 9826''.

SEC. _____. ADMINISTRATION.

(a) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary of Health and Human Services, the Secretary of Labor, and the Secretary of the Treasury may implement the provisions of, including the amendments made by, this title for plan years that begin on or after January 1, 2026, and end not later than January 1, 2029, by subregulatory guidance, program instruction, or otherwise.

(b) NON-APPLICATION OF THE PAPERWORK REDUCTION ACT.—Chapter 35 of title 44, United States Code (commonly referred to as the ''Paperwork Reduction Act of 1995''), shall not apply to the provisions of, including the amendments made by, this title.

SEC. _____. FULL REBATE ON INSULIN PASS-THROUGH TO PLAN.

Part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) is further amended by adding at the end the following:

''SEC. 2729A. FULL REBATE ON INSULIN PASS-THROUGH TO PLAN.

''(a) IN GENERAL.—A pharmacy benefits manager, a third-party administrator of a group health plan, a health insurance issuer offering group health insurance coverage, or an entity providing pharmacy benefits management services under such health plan or health insurance coverage shall remit 100 percent of rebates, fees, alternative discounts, and all other remuneration received from a pharmaceutical manufacturer, distributor or any other third party, that are related to utilization of insulin under such health plan or health insurance coverage, to the group health plan.

''(b) FORM AND MANNER OF REMITTANCE.—Such rebates, fees, alternative discounts, and other remuneration shall be—

''(1) remitted to the group health plan in a timely fashion after the period for which such rebates, fees, or other remuneration is calculated, and in no case later than 90 days after the end of such period;

''(2) fully disclosed and enumerated to the group health plan sponsor; and

''(3) available for audit by the plan sponsor, or a third-party designated by a plan sponsor no less than once per plan year.''.

SEC. ___. ENSURING TIMELY ACCESS TO GENERICS.

Section 505(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(q)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)(i), by inserting '', 10.31,'' after ''10.30'';

(B) in subparagraph (E)—

(i) by striking ''application and'' and inserting ''application or'';

(ii) by striking ''If the Secretary'' and inserting the following:

''(i) IN GENERAL.—If the Secretary''; and

(iii) by striking the second sentence and inserting the following:

''(ii) PRIMARY PURPOSE OF DELAYING.—

''(I) IN GENERAL.—In determining whether a petition was submitted with the primary purpose of delaying an application, the Secretary may consider the following factors:

''(aa) Whether the petition was submitted in accordance with paragraph (2)(B), based on when the petitioner knew or reasonably should have known the relevant information relied upon to form the basis of such petition.

''(bb) Whether the petitioner has submitted multiple or serial petitions or supplements to petitions raising issues that reasonably could have been known to the petitioner at the time of submission of the earlier petition or petitions.

''(cc) Whether the petition was submitted close in time to a known, first date upon which an application under subsection (b)(2) or (j) of this section or section 351(k) of the Public Health Service Act could be approved.

''(dd) Whether the petition was submitted without relevant data or information in support of the scientific positions forming the basis of such petition.

''(ee) Whether the petition raises the same or substantially similar issues as a prior petition to which the Secretary has responded substantively already, including if the subsequent submission follows such response from the Secretary closely in time.

''(ff) Whether the petition requests changing the applicable standards that other applicants are required to meet, including requesting testing, data, or labeling standards that are more onerous or rigorous than the standards the Secretary has determined to be applicable to the listed drug, reference product, or petitioner's version of the same drug.

''(gg) The petitioner's record of submitting petitions to the Food and Drug Administration that have been determined by the Secretary to have been submitted with the primary purpose of delay.

''(hh) Other relevant and appropriate factors, which the Secretary shall describe in guidance.

''(II) GUIDANCE.—The Secretary may issue or update guidance, as appropriate, to describe factors the Secretary considers in accordance with subclause (I).'';

(C) by adding at the end the following:

''(iii) REFERRAL TO THE FEDERAL TRADE COMMISSION.—The Secretary shall establish procedures for referring to the Federal Trade Commission any petition or supplement to a petition that the Secretary determines was submitted with the primary purpose of delaying approval of an application. Such procedures shall include notification to the petitioner by the Secretary.'';

(D) by striking subparagraph (F);

(E) by redesignating subparagraphs (G) through (I) as subparagraphs (F) through (H), respectively; and

(F) in subparagraph (H), as so redesignated, by striking ''submission of this petition'' and inserting ''submission of this document'';

(2) in paragraph (2)—

(A) by redesignating subparagraphs (A) through (C) as subparagraphs (C) through (E), respectively;

(B) by inserting before subparagraph (C), as so redesignated, the following:

''(A) IN GENERAL.—A person shall submit a petition to the Secretary under paragraph (1) before filing a civil action in which the person seeks to set aside, delay, rescind, withdraw, or prevent submission, review, or approval of an application submitted under subsection (b)(2) or (j) of this section or section 351(k) of the Public Health Service Act. Such petition and any supplement to such a petition shall describe all information and arguments that form the basis of the relief requested in any civil action described in the previous sentence.

''(B) TIMELY SUBMISSION OF CITIZEN PETITION.—A petition and any supplement to a petition shall be submitted within 60 days after the person knew, or reasonably should have known, the information that forms the basis of the request made in the petition or supplement.'';

(C) in subparagraph (C), as so redesignated—

(i) in the heading, by striking ''WITHIN 150 DAYS'';

(ii) in clause (i), by striking ''during the 150-day period referred to in paragraph (1)(F),''; and

(iii) by amending clause (ii) to read as follows:

''(ii) on or after the date that is 151 days after the date of submission of the petition, the Secretary approves or has approved the application that is the subject of the petition without having made such a final decision.'';

(D) by amending subparagraph (D), as so redesignated, to read as follows:

''(D) DISMISSAL OF CERTAIN CIVIL ACTIONS.—

''(i) PETITION.—If a person files a civil action against the Secretary in which a person seeks to set aside, delay, rescind, withdraw, or prevent submission, review, or approval of an application submitted under subsection (b)(2) or (j) of this section or section 351(k) of the Public Health Service Act without complying with the requirements of subparagraph (A), the court shall dismiss without prejudice the action for failure to exhaust administrative remedies.

''(ii) TIMELINESS.—If a person files a civil action against the Secretary in which a person seeks to set aside, delay, rescind, withdraw, or prevent submission, review, or approval of an application submitted under subsection (b)(2) or (j) of this section or section 351(k) of the Public Health Service Act without complying with the requirements of subparagraph (B), the court shall dismiss with prejudice the action for failure to timely file a petition.

''(iii) FINAL RESPONSE.—If a civil action is filed against the Secretary with respect to any issue raised in a petition timely filed under paragraph (1) in which the petitioner requests that the Secretary take any form of action that could, if taken, set aside, delay, rescind, withdraw, or prevent submission, review, or approval of an application submitted under subsection (b)(2) or (j) of this section or section 351(k) of the Public Health Service Act before the Secretary has taken final agency action on the petition within the meaning of subparagraph (C), the court shall dismiss without prejudice the action for failure to exhaust administrative remedies.''; and

(E) in clause (iii) of subparagraph (E), as so redesignated, by striking ''as defined under subparagraph (2)(A)'' and inserting ''within the meaning of subparagraph (C)''; and

(3) in paragraph (4)—

(A) by striking ''EXCEPTIONS'' and all that follows through ''This subsection does'' and inserting ''EXCEPTIONS.—This subsection does'';

(B) by striking subparagraph (B); and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and adjusting the margins accordingly.

SEC. ___. EXPEDITING COMPETITIVE BIOSIMILAR COMPETITION.

(a) IN GENERAL.—Section 351(k) of the Public Health Service Act (42 U.S.C. 262(k)) is amended by adding at the end the following:

''(10) EXPEDITING COMPETITIVE BIOSIMILAR COMPETITION.—

''(A) IN GENERAL.—The Secretary may, at the request of the sponsor of an application

under this subsection for a biosimilar biological product that is designated as a competitive biosimilar therapy pursuant to subsection (b), expedite the development and review of such application under this subsection.

''(B) DESIGNATION PROCESS.—

''(i) REQUEST.—The sponsor of an application under this subsection may request the Secretary to designate the drug as a competitive biosimilar therapy. A request for such designation may be made concurrently with, or at any time prior to, the submission of a biosimilar biological product license application under this subsection.

''(ii) CRITERIA.—A biological product is eligible for designation as a competitive biosimilar therapy under this paragraph if the Secretary determines that there is inadequate biosimilar competition.

''(iii) DESIGNATION.—Not later than 60 calendar days after the receipt of a request under clause (i), the Secretary may—

''(I) determine whether the biosimilar biological product that is the subject of the request meets the criteria described in clause (ii); and

''(II) if the Secretary finds that such product meets such criteria, designate the biosimilar biological product as a competitive biosimilar therapy.

''(C) ACTIONS.—In expediting the development and review of an application under subparagraph (A), the Secretary may, as requested by the applicant, take actions including the following:

''(i) Hold meetings with the sponsor and the review team throughout the development of the biosimilar biological product prior to submission of the application under this subsection.

''(ii) Provide timely advice to, and interactive communication with, the sponsor regarding the development of the drug to ensure that the development program to gather the data necessary for approval is as efficient as practicable.

''(iii) Involve senior managers and experienced review staff, as appropriate, in a collaborative, coordinated review of such application, including with respect to biological product-device combination products and other complex products.

''(iv) Assign a cross-disciplinary project lead—

''(I) to facilitate an efficient review of the development program and application, including manufacturing inspections; and

''(II) to serve as a scientific liaison between the review team and the applicant.

''(D) INSPECTIONS.—With respect to an application described in subparagraph (A), in the case of an inspection report that finds approval of such biological product is dependent upon remediation of a facility, if the applicant attests that necessary changes have been made to the facility, the Secretary shall expedite reinspection of such facility, including establishing a set timeline to reinspect the facility or make a determination about the response of the applicant and whether to approve the application.

''(E) REPORTING REQUIREMENT.—Not later than 1 year after the date of licensure under this subsection with respect to a biosimilar biological product for which the development and review is expedited under this paragraph, the holder of the license of such biosimilar biological product shall report to the Secretary on whether the biosimilar biological product has been marketed in interstate commerce since the date of such licensure.

''(F) INADEQUATE BIOSIMILAR COMPETITION.—In this paragraph, the term 'inadequate biosimilar competition' means, with respect to a biological product, there are fewer than 3 licensed biological products on the list published under paragraph (9)(A) (not including biological products on the discontinued section of such list) that are biosimilar biological products with the same reference product.''.

SEC. _____. INSULIN COMPETITION REPORT.

Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services, in collaboration with the Administrator for the Centers for Medicare & Medicaid Services and the Commissioner of Food and Drugs, shall—

(1) complete a study to determine the extent of, and causes of, delays in getting insulin products to market, and the market dynamics and extent biosimilar biological product development and competition could increase, or is increasing, the number of biological products approved and available to patients, including by examining barriers to—

(A) placement of biosimilar biological products on health insurance formularies;

(B) market entry of insulin product in the United States, as compared to other highly developed nations; and

(C) patient and provider education around biosimilar biological products; and

(2) submit a report to Congress that describes the results of the study conducted pursuant to paragraph (1) and recommended policy solutions.

SA 2671. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 60001 (relating to rescission of funding for clean heavy-duty vehicles).

SA 2672. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike title VI (relating to Committee on Environment and Public Works).

SA 2673. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70506.

SA 2674. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70505.

SA 2675. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70508.

SA 2676. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70502.

SA 2677. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 82001.

SA 2678. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 10105.

SA 2679. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. _____. ERADICATION OF NEW WORLD SCREWWORM.

There is appropriated, out of amounts in the Treasury not otherwise appropriated, $500,000,000, to remain available until September 30, 2029, for the National Animal Disease Preparedness and Response Program established under section 10409A of the Animal Health Protection Act (7 U.S.C. 8308a) to support the eradication of the New World Screwworm through surveillance, training, biosecurity, research, and the construction of 1 or more facilities for the rearing or dispersal of sterilized New World Screwworm flies.

SA 2680. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 10102.

SA 2681. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. _____. ECONOMIC ASSISTANCE RELATING TO NEW WORLD SCREWWORM.

There is appropriated, out of amounts in the Treasury not otherwise appropriated,

$200,000,000, to remain available until September 30, 2029, for the Department of Agriculture to provide economic assistance to federally approved livestock marketing facilities and attendant businesses located in States along the United States-Mexico border that have been economically harmed by the New World screwworm outbreak.

SA 2682. Mrs. MURRAY (for herself and Ms. WARREN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike subtitle G of title VIII.

SA 2683. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 83002.

SA 2684. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 403, after line 24, insert the following:

''(5) ACADEMIC ACCOUNTABILITY AND TRANSPARENCY.—A scholarship granting organization may not award a scholarship to any eligible student to pay for tuition at an elementary or secondary public, private, or religious school that does not—

''(A) administer at no cost to all of its students the State annual assessments, described in section 1111(b)(2) of the Elementary and Secondary Education Act of 1965, of the State in which such school is located that are used to measure the achievement of all public elementary and secondary school students in the State, including, if applicable, the alternate assessments for students with the most significant cognitive disabilities described in section 1111(b)(2)(D) of such Act;

''(B) produce individual student reports regarding academic achievement on the assessments described in section 1111(b)(2) of such Act that—

''(i) allow parents, teachers, principals, and other school leaders to understand and address the specific academic needs of students; and

''(ii) are provided to parents, teachers, and school leaders as soon as is practicable after the assessment is given, in an understandable and uniform format, and, to the extent practicable, in a language that parents can understand; and

''(C) submit data collected under the assessments described in subparagraph (A) to the State annually for inclusion in the State report card described in section 1111(h) of such Act.

SA 2685. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 811, between lines 5 and 6, insert the following:

(a) PROGRAM INELIGIBILITY FOR FEDERAL PELL GRANTS BASED ON LOW EARNING OUTCOMES.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070) is amended by adding at the end the following:

''(l) PROGRAM INELIGIBILITY BASED ON LOW EARNING OUTCOMES.—Notwithstanding section 481(b), an institution of higher education subject to this subsection shall not use funds under this subpart (including funds under the program established under subsection (k) of this section) for student enrollment in an educational program offered by the institution that is described in paragraph (2) of section 454(c). The terms and conditions of section 454(c) shall apply with respect to funds under this subpart in the same manner as such terms and conditions apply to funds under part D.''.

SA 2686. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 85002.

SA 2687. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 796, strike line 17 and all that follows through line 12 on page 797.

SA 2688. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 85001.

SA 2689. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 808, strike line 21 and all that follows through line 17 on page 809 and insert the following:

''(IV) for each award year, the median earnings of students who received Federal financial aid under this title and who completed the program 1 year prior to the award year are not less than the median earnings of a working adult, as defined under subparagraph (B), and as calculated in accordance with subparagraph (B).

''(B) CALCULATION OF MEDIAN EARNINGS.—

''(i) WORKING ADULT.—For the purposes of applying subclause (IV) of subparagraph (A)(iv), a working adult described in this subparagraph is a working adult who, for the corresponding year—

''(I) is aged 25 to 34;

''(II) is not enrolled in an institution of higher education; and

''(III) has only a high school diploma or its recognized equivalent.

''(ii) SOURCE OF DATA.—For the purposes of applying subclause (IV) of subparagraph (A)(iv), the median earnings of a working adult, as described in clause (i), shall be based on data from the Bureau of the Census—

''(I) for the State in which the institution is located; or

''(II) if fewer than 50 percent of the students enrolled in the institution reside in the State where the institution is located, for the entire United States.

''(iii) SMALL COHORTS.—For any year for which the number of completers for an educational program of an institution is fewer than 30 individuals, the Secretary shall—

''(I) first, aggregate additional years of programmatic data in order to achieve a cohort of at least 30 individuals; and

''(II) second, in cases in which the cohort (including the individuals added under subclause (I)) is still fewer than 30 individuals, aggregate additional cohort years of programmatic data for educational programs of equivalent length in order to achieve a cohort of at least 30 individuals.''.

SA 2690. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 922, strike line 15 and all that follows through page 923, line 20, and insert the following:

of the courts, including an assessment of the costs to taxpayers of the noncompliance of the Administration with court orders.

SEC. 100102. APPROPRIATION TO THE FEDERAL JUDICIAL CENTER.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Director of the Federal Judicial Center, out of amounts in the Treasury not otherwise appropriated, $1,000,000 for each of fiscal years 2025 through 2028, for the purpose described in subsection (b).

(b) USE OF FUNDS.—The Federal Judicial Center shall use the amounts appropriated under subsection (a) for the continued implementation of programs pursuant to section 620(b)(3) of title 28, United States Code, to stimulate, create, develop, and conduct programs of continuing education and training for personnel of the judicial branch, including training on the costs to taxpayers of the noncompliance of the Administration with court orders.

SA 2691. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 90103.

SA 2692. Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 922, strike line 15 and all that follows through page 923, line 20, and insert the following:

of the courts, including an assessment of the number, frequency, and related metrics of judicial orders holding the Federal Government in contempt or sanctioning Federal Government attorneys and their aggregate cost impact on the taxpayers of the United States, as determined by each court.

SA 2693. Mr. WELCH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 10103.

Strike section 10301 and insert the following:

SEC. 10301. REFERENCE PRICE.

Section 1111(19) of the Agricultural Act of 2014 (7 U.S.C. 9011(19)) is amended—

(1) by redesignating subparagraphs (A) through (O) as clauses (i) through (xv), respectively, and indenting appropriately;

(2) in the matter preceding clause (i) (as so redesignated), by striking ''The term'' and inserting the following:

''(A) IN GENERAL.—Subject to subparagraph (B), the term''; and

(3) by adding at the end the following:

''(B) EFFECTIVENESS.—Effective beginning with the 2025 crop year, the reference prices defined in subparagraph (A) with respect to a covered commodity shall equal the reference price defined in that subparagraph multiplied by 1.05.''.

SA 2694. Mr. WELCH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

CHAPTER 7—REPEAL OF CERTAIN TAX PROVISIONS

SEC. 70701. REPEAL OF CERTAIN TAX PROVISIONS.

The amendments made by sections 70436 and 70605 are repealed and the Internal Revenue Code of 1986 shall be applied as if such amendments had not been enacted.

SA 2695. Mrs. GILLIBRAND submitted an amendment intended to be proposed by her to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle A of title VII, insert the following:

SEC. _____. EXEMPTING FROM FEDERAL INCOME TAXATION PAYMENTS ALLOCABLE TO SEXUAL ASSAULT OR SEXUAL HARASSMENT CLAIMS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by inserting before section 140 the following new section:

''SEC. 139M. AMOUNTS RECEIVED AS JUDGMENTS, AWARDS, AND SETTLEMENTS WITH RESPECT TO SEXUAL ASSAULT OR SEXUAL HARASSMENT CLAIMS.

''(a) IN GENERAL.—In the case of an individual, gross income shall not include any amount received as a judgment, award, or settlement (including back pay, front pay, punitive damages, or any payments made in connection with a release of claims or to resolve, settle, or litigate claims), whether by lump sum or periodic payments, from—

''(1) a claim involving an alleged nonconsensual sexual act or sexual contact, as such terms are defined in section 2246 of title 18, United States Code, or similar applicable Tribal, State, or local law, including when the victim lacks capacity to consent, or

''(2) a claim relating to conduct that is alleged to constitute sexual harassment under applicable Federal, Tribal, State, or local law.

''(b) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations or other guidance as the Secretary determines necessary to carry out the purposes of this section, including regulations or other guidance to distinguish amounts received in connection with a claim described in subsection (a) from other amounts received as part of a judgment, award, or settlement.''.

(b) SOCIAL SECURITY TAXES.—Section 3121(a) is amended by striking ''or'' at the end of paragraph (22), by striking the period at the end of paragraph (23) and inserting ''; or'', and by inserting after paragraph (23) the following new paragraph:

''(24) any amount received which is excludable from the gross income of the employee under section 139M.''.

(c) RAILROAD RETIREMENT TAX.—Section 3231(e) is amended by adding at the end the following new paragraph:

''(13) AMOUNTS RECEIVED AS JUDGMENTS, AWARDS, AND SETTLEMENTS WITH RESPECT TO SEXUAL ASSAULT OR SEXUAL HARASSMENT CLAIMS.—The term 'compensation' shall not include any amount received which is excludable from the gross income of the employee under section 139M.''.

(d) UNEMPLOYMENT TAXES.—Section 3306(b) is amended by striking ''or'' at the end of paragraph (19), by striking the period at the end of paragraph (20) and inserting ''; or'', and by inserting after paragraph (20) the following new paragraph:

''(21) any amount received which is excludable from the gross income of the employee under section 139M.''.

(e) WAGE WITHHOLDING.—Section 3401 is amended by striking ''or'' at the end of paragraph (22), by striking the period at the end of paragraph (23) and inserting '', or'', and by inserting after paragraph (23) the following new paragraph:

''(24) any amount received which is excludable from the gross income of the employee under section 139M.''.

(f) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139M. Amounts received as judgments, awards, and settlements with respect to sexual assault or sexual harassment claims.''.

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

SA 2696. Mr. OSSOFF (for himself, Ms. BALDWIN, Mr. WARNOCK, Mr. HICKENLOOPER, Mr. BENNET, and Mr. LUJÁN) proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

At the appropriate place, insert the following:

SEC. _____. EXTENSION OF ENHANCED PREMIUM TAX CREDITS.

(a) IN GENERAL.—Section 36B(b)(3)(A)(iii) is amended—

(1) by striking '', and before January 1, 2026'', and

(2) by striking ''2021 THROUGH 2025'' in the heading and inserting ''YEARS AFTER 2020''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. _____. 39.6 PERCENT RATE BRACKET.

(a) IN GENERAL.—Section 1(j)(2) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) 39.6 PERCENT RATE BRACKET.—Notwithstanding subparagraphs (A) through (E), in prescribing the tables under this subsection for purposes of paragraph (3)(B)—

''(i) the excess of taxable income over $10,000,000 ($5,000,000, in the case of married individuals filing separate returns), if any, shall be taxed at a rate of 39.6 percent, and

''(ii) paragraph (3)(B)(i) shall be applied with respect to such $10,000,000 and $5,000,000 amounts by substituting '2024' for '2017'.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2697. Mr. KAINE (for himself, Ms. BALDWIN, Ms. BLUNT ROCHESTER, Ms. CORTEZ MASTO, Mr. KELLY, and Mr. HICKENLOOPER) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 83002 and insert the following:

SEC. 83002. EXTENDING FEDERAL PELL GRANT ELIGIBILITY OF CERTAIN SHORT-TERM PROGRAMS.

(a) JOB TRAINING FEDERAL PELL GRANT PROGRAM.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended by adding at the end the following:

''(k) JOB TRAINING FEDERAL PELL GRANT PROGRAM.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELIGIBLE CAREER PATHWAY PROGRAM.—The term 'eligible career pathway program' means a program that—

''(i) meets the requirements of section 484(d)(2);

''(ii) is listed on the provider list under section 122(d) of the Workforce Innovation and Opportunity Act;

''(iii) is part of a career pathway, as defined in section 3 of that Act; and

''(iv) is aligned to a program of study as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006.

''(B) ELIGIBLE JOB TRAINING PROGRAM.—

''(i) IN GENERAL.—The term 'eligible job training program' means a career and technical education program at an institution of higher education that—

''(I) provides not less than 150, and not more than 600, clock hours of instructional time over a period of not less than 8 weeks and not more than 15 weeks;

''(II) provides training aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations in the State or local area, as determined by an industry or sector partnership;

''(III) is a program of training services, and provided through an eligible training provider, as described under section 122(d) of the Workforce Innovation and Opportunity Act;

''(IV) provides a student, upon completion of the program, with a recognized postsecondary credential that is recognized by employers in the relevant industry, including

credentials recognized by industry or sector partnerships in the relevant industry in the State or local area where the industry is located and the job training program is provided;

''(V) has been determined by the institution of higher education (after validation of that determination by an industry or sector partnership) to provide academic content, an amount of instructional time, and a recognized postsecondary credential that are sufficient to—

''(aa) meet the hiring requirements of potential employers; and

''(bb) satisfy any applicable educational prerequisite requirement for professional licensure or certification, so that the student who completes the program and seeks employment qualifies to take any licensure or certification examination needed to practice or find employment in an occupation that the program prepares students to enter;

''(VI) may include integrated education and training;

''(VII) may be offered as part of an eligible career pathway program;

''(VIII) does not exceed by more than 50 percent the minimum number of clock hours required for training if the State has established such a requirement; and

''(IX) shall include institutional credit articulation for a student enrolled in a noncredit job training program.

''(ii) APPROVAL BY THE SECRETARY.—In the case of a program that is seeking to establish eligibility as an eligible job training program under this subparagraph, the Secretary shall make a determination about whether the program meets the requirements of this subparagraph not more than 60 days after the date on which such program is submitted for consideration as an eligible job training program.

''(iii) ADDITIONAL ASSURANCE.—The Secretary shall not determine that a program is an eligible job training program in accordance with clause (ii) unless the Secretary receives a certification from the appropriate State board containing an assurance that the program meets the requirements of clause (i).

''(C) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means—

''(i) an institution of higher education, as defined in section 101; or

''(ii) a postsecondary vocational institution, as defined in section 102(c).

''(D) INSTITUTIONAL CREDIT ARTICULATION.—The term 'institutional credit articulation' means an institution of higher education provides a student who has completed a noncredit program with the equivalent academic credit that may be applied to a subsequent credit-bearing certificate or degree program upon enrollment in such program at such institution.

''(E) WIOA DEFINITIONS.—The terms 'industry or sector partnership', 'in-demand industry sector or occupation', 'recognized postsecondary credential', and 'State board' have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act.

''(2) IN GENERAL.—For the award year beginning on July 1, 2026, and each subsequent award year, the Secretary shall carry out a program through which the Secretary shall award Federal Pell Grants to students in eligible job training programs (referred to as a 'job training Federal Pell Grant'). Each eligible job training Federal Pell Grant awarded under this subsection shall have the same terms and conditions, and be awarded in the same manner, as other Federal Pell Grants awarded under subsection (b), except as follows:

''(A) A student who is eligible to receive a job training Federal Pell Grant under this subsection is a student who—

''(i) has not yet attained a postbaccalaureate degree;

''(ii) attends an institution of higher education;

''(iii) is enrolled, or accepted for enrollment, in an eligible job training program at such institution of higher education; and

''(iv) meets all other eligibility requirements for a Federal Pell Grant (except with respect to the type of program of study, as provided in clause (iii)).

''(B) The amount of a job training Federal Pell Grant for an eligible student shall be determined under subsection (b), except that notwithstanding subsection (b)(1)(B) a student who is eligible for less than the minimum Federal Pell Grant for an academic year in which the student is enrolled in an eligible program full time may still be eligible for a Federal Pell Grant.

''(3) INCLUSION IN TOTAL ELIGIBILITY PERIOD.—Any period during which a student receives a job training Federal Pell Grant under this subsection shall be included in calculating the student's period of eligibility for Federal Pell Grants under subsection (d), and the eligibility requirements regarding students who are enrolled in an undergraduate program on less than a full-time basis shall similarly apply to students who are enrolled in an eligible job training program at an eligible institution on less than a full-time basis.''.

(b) ACCREDITING AGENCY RECOGNITION OF ELIGIBLE JOB TRAINING PROGRAMS.—Section 496(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1099b(a)(4)) is amended—

(1) in subparagraph (A), by striking ''and'' after the semicolon;

(2) in subparagraph (B)(ii), by inserting ''and'' after the semicolon; and

(3) by adding at the end the following:

''(C) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions of higher education participating in the job training Federal Pell Grant program under section 401(k), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such eligible job training programs (as defined in that subsection)—

''(i) the agency or association's standards include a process for determining if the institution has the capability to effectively offer an eligible job training program; and

''(ii) the agency or association requires a demonstration that the program—

''(I) has identified each recognized postsecondary credential offered and the corresponding industry or sector partnership that actively recognizes each credential in the relevant industry in the State or local area where the industry is located; and

''(II) provides the academic content and amount of instructional time that is sufficient to—

''(aa) meet the hiring requirements of potential employers; and

''(bb) satisfy any applicable educational prerequisites for professional licensure or certification requirements so that the student who completes the program and seeks employment qualifies to take any licensure or certification examination that is needed to practice or find employment in an occupation that the program prepares students to enter.''.

(c) INTERAGENCY DATA SHARING.—The Secretary of Education shall coordinate and enter into a data sharing agreement with the Secretary of Labor to ensure access to data related to indicators of performance collected under section 116 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141). Under such data sharing agreement, the Commissioner of the National Center for Education Statistics shall collect and review the contents of performance reports for eligible providers of training services described in section 116(d)(4) of that Act not less frequently than once each year.

(d) MINIMUM FEDERAL PELL GRANT.—Section 401(a)(2)(F) of the Higher Education Act of 1965 (20 U.S.C. 1070a(a)(2)(F)) is amended by striking ''10 percent'' and inserting ''5 percent''.

(e) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on July 1, 2026.

SA 2698. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Subchapter __—Historic Tax Credit Modifications

SEC. _____1. FULL CREDIT ALLOWED IN THE YEAR BUILDING PLACED IN SERVICE.

(a) IN GENERAL.—Section 47(a) is amended to read as follows:

''(a) GENERAL RULE.—For purposes of section 46, the rehabilitation credit for any taxable year is 20 percent of the qualified rehabilitation expenditures.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2025.

SEC. _____2. INCREASE IN THE REHABILITATION CREDIT FOR CERTAIN SMALL PROJECTS.

(a) IN GENERAL.—Section 47 is amended by adding at the end the following new subsection:

''(e) SPECIAL RULE REGARDING CERTAIN SMALL PROJECTS.—

''(1) IN GENERAL.—In the case of any qualifying small project with respect to which there is an election in effect under this subsection—

''(A) the total qualified rehabilitation expenditures taken into account for purposes of this section with respect to the rehabilitation shall not exceed $3,750,000,

''(B) subsection (a) shall be applied by substituting '30 percent' for '20 percent', and

''(C) subject to paragraph (4) and such regulations or other guidance as the Secretary may provide, the taxpayer may transfer all or a portion of the credit determined under this section with respect to such qualifying small project.

''(2) QUALIFYING SMALL PROJECT.—For purposes of this subsection, the term 'qualifying small project' means any qualified rehabilitated building or portion thereof if—

''(A) such building is placed in service after the date of the enactment of this subsection, and

''(B) no credit was allowed under this section (other than a credits allowed by reason of subsection (d)) for either of the two immediately preceding taxable years with respect to such building.

''(3) SPECIAL RULE FOR RURAL PROJECTS.—

''(A) IN GENERAL.—In the case of any qualifying small project in a rural area, paragraph (1)(A) shall be applied by substituting '$5,000,000' for '$3,750,000'.

''(B) RURAL AREA.—For purposes of this subparagraph, the term 'rural area' means any area other than—

''(i) a city or town that has a population of greater than 50,000 inhabitants, or

''(ii) the urbanized area contiguous and adjacent to a city or town described in clause (i), as defined by the Bureau of the Census based on the latest decennial census of the United States.

''(4) TRANSFER OF CREDIT FOR QUALIFYING SMALL PROJECTS.—

''(A) CERTIFICATION.—

''(i) IN GENERAL.—A transfer under paragraph (1)(C)) shall be accompanied by a certificate which includes—

''(I) the certification for the certified historic structure referred to in subsection (c)(3),

''(II) the taxpayer's name, address, tax identification number, date of project completion, and the amount of credit being transferred,

''(III) the transferee's name, address, tax identification number, and the amount of credit being transferred, and

''(IV) such other information as may be required by the Secretary.

''(ii) TRANSFERABILITY OF CERTIFICATE.—A certificate issued under this subsection to a taxpayer shall be transferable to any other taxpayer.

''(B) TAX TREATMENT RELATING TO CERTIFICATE.—

''(i) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for the amount of consideration paid or incurred by the transferee.

''(ii) ALLOWANCE OF CREDIT.—The amount of credit transferred under paragraph (1)(C)—

''(I) shall not be allowed to the transferor for any taxable year, and

''(II) shall be allowable to the transferee as a credit determined under this section for the taxable year of the transferee in which such credit is transferred.

''(iii) EXCLUSION.—Gross income shall not include any amount received in connection with the transfer of the certificate.

''(C) RECAPTURE AND OTHER SPECIAL RULES.—The taxpayer who claims a credit determined under this section by reason of a transfer of an amount of credit under paragraph (1)(A) with respect to an applicable rural project shall be treated as the taxpayer with respect to such project for purposes of section 50.

''(D) INFORMATION REPORTING.—The transferor and the transferee shall each make such reports regarding the transfer of an amount of credit under paragraph (1)(C) and containing such information as the Secretary may require. The reports required by this subparagraph shall be filed at such time and in such manner as may be required by the Secretary.

''(E) REGULATIONS.—The Secretary shall prescribe regulations or other guidance to carry out paragraph (1)(C) and this paragraph in a manner which is consistent with applicable requirements with respect to transfer of credits under section 6418.

''(5) ELECTION.—An election under this subsection shall be made at such time and in such manner as the Secretary may by regulations prescribe.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. _____3. INCREASING THE TYPE OF BUILDINGS ELIGIBLE FOR REHABILITATION.

(a) IN GENERAL.—Section 47(c)(1)(B)(i)(I) is amended by inserting ''50 percent of'' before ''the adjusted basis''.

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

SEC. _____4. ELIMINATION OF REHABILITATION CREDIT BASIS ADJUSTMENT.

(a) IN GENERAL.—Section 50(c) is amended by adding at the end the following new paragraph:

''(6) EXCEPTION FOR REHABILITATION CREDIT.—In the case of the rehabilitation credit, paragraph (1) shall not apply.''.

(b) TREATMENT IN CASE OF CREDIT ALLOWED TO LESSEE.—Section 50(d) is amended by adding at the end the following: ''In the case of the rehabilitation credit, paragraph (5)(B) of the section 48(d) referred to in paragraph (5) of this subsection shall not apply.''.

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

SEC. _____5. MODIFICATIONS REGARDING CERTAIN TAX-EXEMPT USE PROPERTY.

(a) IN GENERAL.—Section 47(c)(2)(B)(v) is amended by adding at the end the following new subclause:

''(III) DISQUALIFIED LEASE RULES TO APPLY ONLY IN CASE OF GOVERNMENT ENTITY.—For purposes of subclause (I), except in the case of a tax-exempt entity described in section 168(h)(2)(A)(i), the determination of whether property is tax-exempt use property shall be made under section 168(h) without regard to whether the property is leased in a disqualified lease (as defined in section 168(h)(1)(B)(ii)).''.

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

SA 2699. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. ABOVE-THE-LINE DEDUCTION OF EXPENSES OF PERFORMING ARTISTS.

(a) IN GENERAL.—Section 62(a)(2)(B) is amended—

(1) by striking ''PERFORMING ARTISTS.—The deductions'' and inserting the following: ''PERFORMING ARTISTS.—

''(i) IN GENERAL.—The deductions'', and

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

''(ii) PHASEOUT.—The amount of expenses taken into account under clause (i) shall be reduced (but not below zero) by 10 percentage points for each $2,000 ($4,000 in the case of a joint return), or fraction thereof, by which the taxpayer's gross income for the taxable year exceeds $100,000 (twice such amount in the case of a joint return).

''(iii) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2025, the $100,000 amount under clause (ii) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any amount after adjustment under the preceding sentence is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.''.

(b) CLARIFICATION REGARDING COMMISSION PAID TO PERFORMING ARTIST'S MANAGER OR AGENT.—Section 62(a)(2)(B)(i), as amended by subsection (a), is amended by inserting before the period at the end the following: '', including any commission paid to the performing artist's manager or agent''.

(c) INCREASE IN THRESHOLD FOR DETERMINING NOMINAL EMPLOYERS.—Section 62(b)(2) is amended—

(1) by striking ''An individual'' and inserting the following:

''(A) IN GENERAL.—An individual'',

(2) by striking ''$200'' and inserting ''$500'', and

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

''(B) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2025, the $500 amount under subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any amount after adjustment under the preceding sentence is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.''.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 62(a)(2)(B)(i), as amended by the preceding provisions of this Act, is amended by striking ''by him'' and inserting ''by the performing artist''.

(2) Section 62(b)(1) is amended by inserting ''and'' at the end of subparagraph (A), by striking '', and'' at the end of subparagraph (B) and inserting a period, and by striking subparagraph (C).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SA 2700. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. NEIGHBORHOOD HOMES CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 is amended by inserting after section 42 the following new section:

''SEC. 42A. NEIGHBORHOOD HOMES CREDIT.

''(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the neighborhood homes credit determined under this section for the taxable year is, with respect to each qualified residence sold by the taxpayer during such taxable year in an affordable sale, the lesser of—

''(1) an amount equal to—

''(A) the excess (if any) of—

''(i) the reasonable development costs paid or incurred by the taxpayer with respect to such qualified residence, over

''(ii) the sale price of such qualified residence (reduced by any reasonable expenses paid or incurred by the taxpayer in connection with such sale), or

''(B) if the neighborhood homes credit agency determines it is necessary to ensure financial feasibility, an amount not to exceed 120 percent of the amount under subparagraph (A),

''(2) 40 percent of the eligible development costs paid or incurred by the taxpayer with respect to such qualified residence, or

''(3) 32 percent of the national median sale price for new homes (as determined pursuant to the most recent census data available as

of the date on which the neighborhood homes credit agency makes an allocation for the qualified project).

''(b) DEVELOPMENT COSTS.—For purposes of this section—

''(1) REASONABLE DEVELOPMENT COSTS.—

''(A) IN GENERAL.—The term 'reasonable development costs' means amounts paid or incurred for the acquisition of buildings and land, construction, substantial rehabilitation, demolition of structures, or environmental remediation, to the extent that the neighborhood homes credit agency determines that such amounts meet the standards specified pursuant to subsection (f)(1)(D) (as of the date on which construction or substantial rehabilitation is substantially complete, as determined by such agency) and are necessary to ensure the financial feasibility of such qualified residence.

''(B) CONSIDERATIONS IN MAKING DETERMINATION.—In making the determination under subparagraph (A), the neighborhood homes credit agency shall consider—

''(i) the sources and uses of funds and the total financing,

''(ii) any proceeds or receipts generated or expected to be generated by reason of tax benefits, and

''(iii) the reasonableness of the developmental costs and fees.

''(2) ELIGIBLE DEVELOPMENT COSTS.—The term 'eligible development costs' means the amount which would be reasonable development costs if the amounts taken into account as paid or incurred for the acquisition of buildings and land did not exceed 75 percent of such costs determined without regard to any amount paid or incurred for the acquisition of buildings and land.

''(3) SUBSTANTIAL REHABILITATION.—The term 'substantial rehabilitation' means amounts paid or incurred for rehabilitation of a qualified residence if such amounts exceed the greater of—

''(A) $25,000, or

''(B) 20 percent of the amounts paid or incurred by the taxpayer for the acquisition of buildings and land with respect to such qualified residence.

''(4) CONSTRUCTION AND REHABILITATION ONLY AFTER ALLOCATION TAKEN INTO ACCOUNT.—

''(A) IN GENERAL.—The terms 'reasonable development costs' and 'eligible development costs' shall not include any amount paid or incurred before the date on which an allocation is made to the taxpayer under subsection (e) with respect to the qualified project of which the qualified residence is part unless such amount is paid or incurred for the acquisition of buildings or land.

''(B) LAND AND BUILDING ACQUISITION COSTS.—Amounts paid or incurred for the acquisition of buildings or land shall be included under paragraph (A) only if paid or incurred not more than 3 years before the date on which the allocation referred to in subparagraph (A) is made. If the taxpayer acquired any building or land from an entity (or any related party to such entity) that holds an ownership interest in the taxpayer, then such entity must also have acquired such property within such 3-year period, and the acquisition cost included under subparagraph (A) with respect to the taxpayer shall not exceed the amount such entity paid or incurred to acquire such property.

''(c) QUALIFIED RESIDENCE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified residence' means a residence that—

''(A) is real property (constructed on-site or manufactured off-site) affixed on a permanent foundation,

''(B) is—

''(i) a house which is comprised of 4 or fewer residential units,

''(ii) a condominium unit, or

''(iii) a house or an apartment owned by a cooperative housing corporation (as defined in section 216(b)),

''(C) is part of a qualified project with respect to which the neighborhood homes credit agency has made an allocation under subsection (e), and

''(D) is located in a qualified census tract (determined as of the date of such allocation).

''(2) QUALIFIED CENSUS TRACT.—

''(A) IN GENERAL.—The term 'qualified census tract' means a census tract—

''(i) which—

''(I) has a median family income which does not exceed 80 percent of the median family income for the applicable area,

''(II) has a poverty rate that is not less than 130 percent of the poverty rate of the applicable area, and

''(III) has a median value for owner-occupied homes that does not exceed the median value for owner-occupied homes in the applicable area,

''(ii) which—

''(I) is located in a city which has a population of not less than 50,000 and such city has a poverty rate that is not less than 150 percent of the poverty rate of the applicable area,

''(II) has a median family income which does not exceed the median family income for the applicable area, and

''(III) has a median value for owner-occupied homes that does not exceed 80 percent of the median value for owner-occupied homes in the applicable area,

''(iii) which—

''(I) is located in a nonmetropolitan county,

''(II) has a median family income which does not exceed the median family income for the applicable area, and

''(III) has been designated by a neighborhood homes credit agency under this clause,

''(iv) which is not otherwise a qualified census tract and is located in a disaster area (as defined in section 7508A(d)(3)), but only with respect to credits allocated in any period during which the President of the United States has determined that such area warrants individual or individual and public assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, or

''(v) which is not otherwise a qualified census tract and is identified by the neighborhood homes credit agency, through methodologies detailed in the qualified allocation plan, as having a shortage of affordable owner-occupied homes.

''(B) APPLICABLE AREA.—The term 'applicable area' means—

''(i) in the case of a metropolitan census tract, the metropolitan area in which such census tract is located, and

''(ii) in the case of a census tract other than a census tract described in clause (i), the State.

''(d) AFFORDABLE SALE.—For purposes of this section—

''(1) IN GENERAL.—The term 'affordable sale' means a sale to a qualified homeowner of a qualified residence that the neighborhood homes credit agency certifies as meeting the standards promulgated under subsection (f)(1)(D) for a price that does not exceed—

''(A) in the case of any qualified residence not described in subparagraph (B), (C), or (D), the amount equal to the product of 4 multiplied by the median family income for the applicable area (as determined pursuant to the most recent census data available as of the date of the contract for such sale),

''(B) in the case of a house comprised of 2 residential units, 125 percent of the amount described in subparagraph (A),

''(C) in the case of a house comprised of 3 residential units, 150 percent of the amount described in subparagraph (A), or

''(D) in the case of a house comprised of 4 residential units, 175 percent of the amount described in subparagraph (A).

''(2) QUALIFIED HOMEOWNER.—The term 'qualified homeowner' means, with respect to a qualified residence, an individual—

''(A) who owns and uses such qualified residence as the principal residence of such individual, and

''(B) whose family income (determined as of the date that a binding contract for the affordable sale of such residence is entered into) is 140 percent or less of the median family income for the applicable area in which the qualified residence is located.

''(e) CREDIT CEILING AND ALLOCATIONS.—

''(1) CREDIT LIMITED BASED ON ALLOCATIONS TO QUALIFIED PROJECTS.—

''(A) IN GENERAL.—The credit allowed under subsection (a) to any taxpayer for any taxable year with respect to one or more qualified residences which are part of the same qualified project shall not exceed the excess (if any) of—

''(i) the amount allocated by the neighborhood homes credit agency under this paragraph to such taxpayer with respect to such qualified project, over

''(ii) the aggregate amount of credit allowed under subsection (a) to such taxpayer with respect to qualified residences which are a part of such qualified project for all prior taxable years.

''(B) DEADLINE FOR COMPLETION.—No credit shall be allowed under subsection (a) with respect to any qualified residence unless the affordable sale of such residence is during the 5-year period beginning on the date of the allocation to the qualified project of which such residence is a part (or, in the case of a qualified residence to which subsection (i) applies, the rehabilitation of such residence is completed during such 5-year period).

''(2) LIMITATIONS ON ALLOCATIONS TO QUALIFIED PROJECTS.—

''(A) ALLOCATIONS LIMITED BY STATE NEIGHBORHOOD HOMES CREDIT CEILING.—The aggregate amount allocated to taxpayers with respect to qualified projects by the neighborhood homes credit agency of any State for any calendar year shall not exceed the State neighborhood homes credit amount of such State for such calendar year.

''(B) SET-ASIDE FOR CERTAIN PROJECTS INVOLVING QUALIFIED NONPROFIT ORGANIZATIONS.—Rules similar to the rules of section 42(h)(5) shall apply for purposes of this section.

''(3) DETERMINATION OF STATE NEIGHBORHOOD HOMES CREDIT CEILING.—

''(A) IN GENERAL.—The State neighborhood homes credit amount for a State for a calendar year is an amount equal to the sum of—

''(i) the greater of—

''(I) the product of $9, multiplied by the State population (determined in accordance with section 146(j)), or

''(II) $12,000,000, and

''(ii) any amount previously allocated to any taxpayer with respect to any qualified project by the neighborhood homes credit agency of such State which can no longer be allocated to any qualified residence because the 5-year period described in paragraph (1)(B) expires during calendar year.

''(B) 3-YEAR CARRYFORWARD OF UNUSED LIMITATION.—The State neighborhood homes credit amount for a State for a calendar year shall be increased by the excess (if any) of the State neighborhood homes credit amount

for such State for the preceding calendar year over the aggregate amount allocated by the neighborhood homes credit agency of such State during such preceding calendar year. Any amount carried forward under the preceding sentence shall not be carried past the third calendar year after the calendar year in which such credit amount originally arose, determined on a first-in, first-out basis.

''(f) RESPONSIBILITIES OF NEIGHBORHOOD HOMES CREDIT AGENCIES.—

''(1) IN GENERAL.—Notwithstanding subsection (e), the State neighborhood homes credit dollar amount shall be zero for a calendar year unless the neighborhood homes credit agency of the State—

''(A) allocates such amount pursuant to a qualified allocation plan of the neighborhood homes credit agency,

''(B) subject to paragraph (2), allocates not more than 20 percent of amounts allocated in the previous year (or for allocations made in the first allocation year under this section, not more than 20 percent of the neighborhood homes credit ceiling for such year) to projects with respect to qualified residences which—

''(i) are located in census tracts described in subsection (c)(2)(A)(iii), (c)(2)(A)(iv), (i)(5), or

''(ii) are not located in a qualified census tract but meet the requirements of subsection (i)(8),

''(C) subject to paragraph (2), in addition to any allocation described in subparagraph (B), allocates not more than 20 percent of amounts allocated in the previous year (or for allocations made in the first allocation year under this section, not more than 20 percent of the neighborhood homes credit ceiling for such year) to projects with respect to qualified residences which are located in any census tract described in subsection (c)(2)(A)(v), except that, with respect to any qualified residence located within such census tract which is sold to a qualified homeowner, subsection (d)(2) shall be applied by substituting '120 percent' for '140 percent',

''(D) promulgates standards with respect to reasonable qualified development costs and fees,

''(E) promulgates standards with respect to construction quality which are consistent with building codes or other standards required by the State or local jurisdiction in which the project is located,

''(F) in the case of any neighborhood homes credit agency which makes an allocation to a qualified project which includes any qualified residence to which subsection (i) applies, promulgates standards with respect to protecting the owners of such residences, including the capacity of such owners to pay rehabilitation costs not covered by the credit provided by this section and providing for the disclosure to such owners of their rights and responsibilities with respect to the rehabilitation of such residences,

''(G) submits to the Secretary (at such time and in such manner as the Secretary may prescribe) an annual report specifying—

''(i) the amount of the neighborhood homes credits allocated to each qualified project for the previous year,

''(ii) with respect to each qualified residence completed in the preceding calendar year—

''(I) the census tract in which such qualified residence is located,

''(II) with respect to the qualified project that includes such qualified residence, the year in which such project received an allocation under this section,

''(III) whether such qualified residence was new, substantially rehabilitated and sold to a qualified homeowner, or substantially rehabilitated pursuant to subsection (i),

''(IV) the eligible development costs of such qualified residence,

''(V) the amount of the neighborhood homes credit with respect to such qualified residence,

''(VI) the sales price of such qualified residence, if applicable, and

''(VII) the family income of the qualified homeowner (expressed as a percentage of the applicable area median family income for the location of the qualified residence), and

''(iii) such other information as the Secretary may require,

''(H) makes available to the general public a written explanation for any allocation of a neighborhood homes credit dollar amount which is not made in accordance with established priorities and selection criteria of the neighborhood homes credit agency, and

''(I) provide educational outreach on application and compliance requirements, including for small residential builders and remodelers.

''(2) ALTERNATIVE FOR CERTAIN STATES.—

''(A) IN GENERAL.—In the case of any State which, for a calendar year, is an applicable State (as defined in subparagraph (B)), in lieu of the requirements under subparagraphs (B) and (C) of paragraph (1), the neighborhood homes credit agency of the State may elect to allocate not more than 40 percent of amounts allocated in the previous year (or for allocations made in the first allocation year under this section, not more than 40 percent of the neighborhood homes credit ceiling for such year) to projects with respect to qualified residences which are described in either subparagraph (B) or (C) of paragraph (1).

''(B) APPLICABLE STATE.—For purposes of this paragraph, the term 'applicable State' means a State which, for purposes of the determining the amount under subsection (e)(3)(A)(i) for the calendar year with respect to such State, received the amount described in subclause (II) of such subsection.

''(3) QUALIFIED ALLOCATION PLAN.—For purposes of this subsection, the term 'qualified allocation plan' means any plan which—

''(A) sets forth the selection criteria to be used to prioritize qualified projects for allocations of State neighborhood homes credit dollar amounts, including—

''(i) the need for new or substantially rehabilitated owner-occupied homes in the area addressed by the project,

''(ii) the expected contribution of the project to neighborhood stability and revitalization, including the impact on neighborhood residents,

''(iii) the capability and prior performance of the project sponsor, and

''(iv) the likelihood the project will result in long-term homeownership,

''(B) has been made available for public comment,

''(C) as determined by the neighborhood homes credit agency, is likely to result in the selection of highly qualified applicants while also minimizing, to the extent practicable, application costs and barriers to entry for small residential builders and remodelers, and

''(D) provides a procedure that the neighborhood homes credit agency (or any agent or contractor of such agency) shall follow for purposes of—

''(i) identifying noncompliance with any provisions of this section, and

''(ii) notifying the Internal Revenue Service of any such noncompliance of which the agency becomes aware.

''(g) REPAYMENT.—

''(1) IN GENERAL.—

''(A) SOLD DURING 5-YEAR PERIOD.—If a qualified residence is sold during the 5-year period beginning immediately after the affordable sale of such qualified residence referred to in subsection (a), the seller shall transfer an amount equal to the repayment amount to the relevant neighborhood homes credit agency.

''(B) USE OF REPAYMENTS.—A neighborhood homes credit agency shall use any amount received pursuant to subparagraph (A) only for purposes of qualified projects.

''(2) REPAYMENT AMOUNT.—For purposes of paragraph (1)(A)—

''(A) IN GENERAL.—The repayment amount is an amount equal to the applicable percentage of the gain from the sale to which the repayment relates.

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage is 50 percent, reduced by 10 percentage points for each year of the 5-year period referred to in paragraph (1)(A) which ends before the date of such sale.

''(3) LIEN FOR REPAYMENT AMOUNT.—A neighborhood homes credit agency receiving an allocation under this section shall place a lien on each qualified residence that is built or rehabilitated as part of a qualified project for an amount such agency deems necessary to ensure potential repayment pursuant to paragraph (1)(A).

''(4) WAIVER.—

''(A) IN GENERAL.—The neighborhood homes credit agency may waive the repayment required under paragraph (1)(A) if the agency determines that making a repayment would constitute a hardship to the seller.

''(B) HARDSHIP.—For purposes of subparagraph (A), with respect to the seller, a hardship may include—

''(i) divorce,

''(ii) disability,

''(iii) illness, or

''(iv) any other hardship identified by the neighborhood homes credit agency for purposes of this paragraph.

''(h) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) NEIGHBORHOOD HOMES CREDIT AGENCY.—The term 'neighborhood homes credit agency' means the agency designated by the governor of a State as the neighborhood homes credit agency of the State.

''(2) QUALIFIED PROJECT.—The term 'qualified project' means a project that a neighborhood homes credit agency certifies will build or substantially rehabilitate one or more qualified residences.

''(3) DETERMINATIONS OF FAMILY INCOME.—Rules similar to the rules of section 143(f)(2) shall apply for purposes of this section.

''(4) POSSESSIONS TREATED AS STATES.—The term 'State' includes the District of Columbia and the possessions of the United States.

''(5) SPECIAL RULES RELATED TO CONDOMINIUMS AND COOPERATIVE HOUSING CORPORATIONS.—

''(A) DETERMINATION OF DEVELOPMENT COSTS.—In the case of a qualified residence described in clause (ii) or (iii) of subsection (c)(1)(A), the reasonable development costs and eligible development costs of such qualified residence shall be an amount equal to such costs, respectively, of the entire condominium or cooperative housing property in which such qualified residence is located, multiplied by a fraction—

''(i) the numerator of which is the total floor space of such qualified residence, and

''(ii) the denominator of which is the total floor space of all residences within such property.

''(B) TENANT-STOCKHOLDERS OF COOPERATIVE HOUSING CORPORATIONS TREATED AS OWNERS.—In the case of a cooperative housing corporation (as such term is defined in section 216(b)), a tenant-stockholder shall be treated as owning the house or apartment which such person is entitled to occupy.

''(6) RELATED PARTY SALES NOT TREATED AS AFFORDABLE SALES.—

''(A) IN GENERAL.—A sale between related persons shall not be treated as an affordable sale.

''(B) RELATED PERSONS.—For purposes of this paragraph, a person (in this subparagraph referred to as the 'related person') is related to any person if the related person bears a relationship to such person specified in section 267(b) or 707(b)(1), or the related person and such person are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52). For purposes of the preceding sentence, in applying section 267(b) or 707(b)(1), '10 percent' shall be substituted for '50 percent'.

''(7) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of a calendar year after 2025, the dollar amounts in subsections (b)(3)(A), (e)(3)(A)(i)(I), (e)(3)(A)(i)(II), and (i)(2)(C) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(B) ROUNDING.—

''(i) In the case of the dollar amounts in subsections (b)(3)(A) and (i)(2)(C), any increase under paragraph (1) which is not a multiple of $1,000 shall be rounded to the nearest multiple of $1,000.

''(ii) In the case of the dollar amount in subsection (e)(3)(A)(i)(I), any increase under paragraph (1) which is not a multiple of $0.01 shall be rounded to the nearest multiple of $0.01.

''(iii) In the case of the dollar amount in subsection (e)(3)(A)(i)(II), any increase under paragraph (1) which is not a multiple of $100,000 shall be rounded to the nearest multiple of $100,000.

''(8) REPORT.—

''(A) IN GENERAL.—The Secretary shall annually issue a report, to be made available to the public, which contains the information submitted pursuant to subsection (f)(1)(G).

''(B) DE-IDENTIFICATION.—The Secretary shall ensure that any information made public pursuant to subparagraph (A) excludes any information that would allow for the identification of qualified homeowners.

''(9) LIST OF QUALIFIED CENSUS TRACTS.—The Secretary of Housing and Urban Development shall, for each year, make publicly available a list of qualified census tracts under—

''(A) on a combined basis, clauses (i) and (ii) of subsection (c)(2)(A),

''(B) clause (iii) of such subsection, and

''(C) subsection (i)(5)(A).

''(10) DENIAL OF DEDUCTIONS IF CONVERTED TO RENTAL HOUSING.—If, during the 5-year period beginning immediately after the affordable sale of a qualified residence referred to in subsection (a), an individual who owns a qualified residence (whether or not such individual was the purchaser in such affordable sale) fails to use such qualified residence as such individual's principal residence for any period of time, no deduction shall be allowed for expenses paid or incurred by such individual with respect to renting, during such period of time, such qualified residence.

''(i) APPLICATION OF CREDIT WITH RESPECT TO OWNER-OCCUPIED REHABILITATIONS.—

''(1) IN GENERAL.—In the case of a qualified rehabilitation by the taxpayer of any qualified residence which is owned (as of the date that the written binding contract referred to in paragraph (3) is entered into) by a specified homeowner, the rules of paragraphs (2) through (7) shall apply.

''(2) ALTERNATIVE CREDIT DETERMINATION.—In the case of any qualified residence described in paragraph (1), the neighborhood homes credit determined under subsection (a) with respect to such residence shall (in lieu of any credit otherwise determined under subsection (a) with respect to such residence) be allowed in the taxable year during which the qualified rehabilitation is completed (as determined by the neighborhood homes credit agency) and shall be equal to the least of—

''(A) the excess (if any) of—

''(i) the amounts paid or incurred by the taxpayer for the qualified rehabilitation of the qualified residence to the extent that such amounts are certified by the neighborhood homes credit agency (at the time of the completion of such rehabilitation) as meeting the standards specified pursuant to subsection (f)(1)(D), over

''(ii) any amounts paid to such taxpayer for such rehabilitation,

''(B) 50 percent of the amounts described in subparagraph (A)(i), or

''(C) $50,000.

''(3) QUALIFIED REHABILITATION.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualified rehabilitation' means a rehabilitation or reconstruction performed pursuant to a written binding contract between the taxpayer and the specified homeowner if the amount paid or incurred by the taxpayer in the performance of such rehabilitation or reconstruction exceeds the dollar amount in effect under subsection (b)(3)(A).

''(B) APPLICATION OF LIMITATION TO EXPENSES PAID OR INCURRED AFTER ALLOCATION.—A rule similar to the rule of section (b)(4) shall apply for purposes of this subsection.

''(4) SPECIFIED HOMEOWNER.—For purposes of this subsection, the term 'specified homeowner' means, with respect to a qualified residence, an individual—

''(A) who owns and uses such qualified residence as the principal residence of such individual as of the date that the written binding contract referred to in paragraph (3) is entered into, and

''(B) whose family income (determined as of such date) does not exceed the median family income for the applicable area (with respect to the census tract in which the qualified residence is located).

''(5) ADDITIONAL CENSUS TRACTS IN WHICH OWNER-OCCUPIED RESIDENCES MAY BE LOCATED.—In the case of any qualified residence described in paragraph (1), the term 'qualified census tract' includes any census tract which—

''(A) meets the requirements of subsection (c)(2)(A)(i) without regard to subclause (III) thereof, and

''(B) is designated by the neighborhood homes credit agency for purposes of this paragraph.

''(6) MODIFICATION OF REPAYMENT REQUIREMENT.—In the case of any qualified residence described in paragraph (1), subsection (g) shall be applied by beginning the 5-year period otherwise described therein on the date on which the qualified homeowner acquired such residence.

''(7) RELATED PARTIES.—Paragraph (1) shall not apply if the taxpayer is the owner of the qualified residence described in paragraph (1) or is related (within the meaning of subsection (h)(6)(B)) to such owner.

''(8) PYRRHOTITE REMEDIATION.—The requirement of subsection (c)(1)(D) shall not apply to a qualified rehabilitation under this subsection of a qualified residence that is documented by an engineer's report and core testing to have a foundation that is adversely impacted by pyrrhotite or other iron sulfide minerals.

''(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations that prevent avoidance of the rules, and abuse of the purposes, of this section.''.

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking ''plus'' at the end of paragraph (40), by striking the period at the end of paragraph (41) and inserting '', plus'', and by adding at the end the following new paragraph:

''(42) the neighborhood homes credit determined under section 42A(a).''.

(c) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—Section 38(c)(4)(B) is amended by redesignating clauses (iv) through (xii) as clauses (v) through (xiii), respectively, and by inserting after clause (iii) the following new clause:

''(iv) the credit determined under section 42A,''.

(d) BASIS ADJUSTMENTS.—

(1) ENERGY EFFICIENT HOME IMPROVEMENT CREDIT.—Section 25C(g) is amended by adding after the first sentence the following new sentence: ''This subsection shall not apply for purposes of determining the eligible development costs or adjusted basis of any building under section 42A.''.

(2) RESIDENTIAL CLEAN ENERGY CREDIT.—Section 25D(f) is amended by adding after the first sentence the following new sentence: ''This subsection shall not apply for purposes of determining the eligible development costs or adjusted basis of any building under section 42A.''.

(3) NEW ENERGY EFFICIENT HOME CREDIT.—Section 45L(e) is amended by inserting ''or for purposes of determining the eligible development costs or adjusted basis of any building under section 42A'' after ''section 42''.

(e) EXCLUSION FROM GROSS INCOME.—Part III of subchapter B of chapter 1, as amended by this Act, is amended by inserting before section 140 the following new section:

''SEC. 139M. STATE ENERGY SUBSIDIES FOR QUALIFIED RESIDENCES.

''(a) EXCLUSION FROM GROSS INCOME.—Gross income shall not include the value of any subsidy provided to a taxpayer (whether directly or indirectly) by any State energy office (as defined in section 124(a) of the Energy Policy Act of 2005 (42 U.S.C. 15821(a))) for purposes of any energy improvements made to a qualified residence (as defined in section 42A(c)(1)).''.

(f) CONFORMING AMENDMENTS.—

(1) Subsections (i)(3)(C), (i)(6)(B)(i), and (k)(1) of section 469 are each amended by inserting ''or 42A'' after ''section 42''.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 42 the following new item:

''Sec. 42A. Neighborhood homes credit.''.

(3) The table of sections for part III of subchapter B of chapter 1, as amended by this Act, is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139M. State energy subsidies for qualified residences.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2701. Mrs. FISCHER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

SEC. _____. TAX ON SALE OF ELECTRIC VEHICLES AND BATTERIES.

(a) IMPOSITION OF TAX.—

(1) IN GENERAL.—Subchapter A of chapter 32 is amended by adding at the end the following new part:

"PART IV—ELECTRIC VEHICLES AND BATTERIES

''Sec. 4091. Tax on Electric Vehicles and Batteries.

"SEC. 4091. TAX ON ELECTRIC VEHICLES AND BATTERIES.

''(a) BATTERY MODULE.—There is hereby imposed a tax equal to $150 on each battery module with a weight of greater than 1,000 pounds which is—

''(1) sold by the manufacturer, producer, or importer thereof, and

''(2) intended for use in an electric vehicle.

''(b) ELECTRIC VEHICLES.—There is hereby imposed a tax equal to $400 on each electric vehicle sold by the manufacturer, producer, or importer thereof.

''(c) DEFINITIONS.—In this section—

''(1) BATTERY MODULE.—The term 'battery module' has the same meaning given such term in section 45X(c)(5)(B)(iii).

''(2) ELECTRIC VEHICLE.—

''(A) IN GENERAL.—The term 'electric vehicle' means a light-duty vehicle which satisfies the requirements under section 30D(d)(1)(F).

''(B) EXCEPTION FOR HYBRID VEHICLES.—The term 'electric vehicle' shall not include any motor vehicle which draws propulsion energy from onboard sources of stored energy which are both—

''(i) an internal combustion or heat engine using consumable fuel, and

''(ii) a rechargeable energy storage system.

''(3) LIGHT-DUTY VEHICLE.—The term 'light-duty vehicle' means a motor vehicle, as defined in section 30D(d)(2), which has a gross vehicle weight rating of less than 8,500 pounds.

''(d) TERMINATION.—This section shall not apply to any battery module or electric vehicle sold after December 31, 2028.''.

(2) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 32 is amended by adding at the end the following new item:

''PART IV—ELECTRIC VEHICLES AND BATTERIES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2025.

SA 2702. Mrs. FISCHER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

SEC. _____. TAX ON SALE OF ELECTRIC VEHICLES AND BATTERIES.

(a) IMPOSITION OF TAX.—

(1) IN GENERAL.—Subchapter A of chapter 32 is amended by adding at the end the following new part:

"PART IV—ELECTRIC VEHICLES AND BATTERIES

''Sec. 4091. Tax on Electric Vehicles and Batteries.

"SEC. 4091. TAX ON ELECTRIC VEHICLES AND BATTERIES.

''(a) BATTERY MODULE.—There is hereby imposed a tax equal to $150 on each battery module with a weight of greater than 1,000 pounds which is—

''(1) sold by the manufacturer, producer, or importer thereof, and

''(2) intended for use in an electric vehicle.

''(b) ELECTRIC VEHICLES.—There is hereby imposed a tax equal to $400 on each electric vehicle sold by the manufacturer, producer, or importer thereof.

''(c) DEFINITIONS.—In this section—

''(1) BATTERY MODULE.—The term 'battery module' has the same meaning given such term in section 45X(c)(5)(B)(iii).

''(2) ELECTRIC VEHICLE.—

''(A) IN GENERAL.—The term 'electric vehicle' means a light-duty vehicle which satisfies the requirements under section 30D(d)(1)(F).

''(B) EXCEPTION FOR HYBRID VEHICLES.—The term 'electric vehicle' shall not include any motor vehicle which draws propulsion energy from onboard sources of stored energy which are both—

''(i) an internal combustion or heat engine using consumable fuel, and

''(ii) a rechargeable energy storage system.

''(3) LIGHT-DUTY VEHICLE.—The term 'light-duty vehicle' means a motor vehicle, as defined in section 30D(d)(2), which has a gross vehicle weight rating of less than 8,500 pounds.

''(d) TERMINATION.—This section shall not apply to any battery module or electric vehicle sold after December 31, 2028.''.

(2) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 32 is amended by adding at the end the following new item:

''PART IV—ELECTRIC VEHICLES AND BATTERIES''.

(b) TRANSFER OF REVENUE TO HIGHWAY TRUST FUND.—Section 9503(b)(1) is amended—

(1) in subparagraph (D), by striking ''and'' at the end,

(2) by redesignating subparagraph (E) as subparagraph (F), and

(3) by inserting after subparagraph (D) the following new subparagraph:

''(E) section 4091 (relating to tax on electric vehicles and batteries), and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2025.

SA 2703. Ms. ERNST (for herself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 550, line 17, insert ''(regardless of whether the reactor design was approved after December 31, 1993)'' after ''such facility''.

SA 2704. Ms. ERNST (for herself, Mr. GRASSLEY, Ms. MURKOWSKI, and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70512 and 70513 and insert the following:

SEC. 70512. PHASE-OUT AND RESTRICTIONS ON CLEAN ELECTRICITY PRODUCTION CREDIT.

(a) PHASE-OUT FOR WIND AND SOLAR FACILITIES.—Section 45Y(d) is amended—

(1) in paragraph (1), by striking ''The amount of'' and inserting ''Subject to paragraph (4), the amount of'', and

(2) by striking paragraph (3) and inserting the following new paragraphs:

''(3) APPLICABLE YEAR.—For purposes of this subsection, the term 'applicable year' means calendar year 2032.

''(4) PHASE-OUT FOR WIND AND SOLAR FACILITIES.—

''(A) IN GENERAL.—The amount of the clean electricity production credit under subsection (a) any applicable facility the construction of which begins during a calendar year described in subparagraph (B) shall be equal to the product of—

''(i) the amount of the credit determined under subsection (a) without regard to this paragraph, multiplied by

''(ii) the phase-out percentage under subparagraph (B).

''(B) PHASE-OUT PERCENTAGE.—The phase-out percentage under this subparagraph is equal to—

''(i) for an applicable facility the construction of which begins during calendar year 2026, 60 percent,

''(ii) for an applicable facility the construction of which begins during calendar year 2027, 20 percent, and

''(iii) for an applicable facility the construction of which begins after December 31, 2027, 0 percent,

''(C) APPLICABLE FACILITY.—For purposes of this paragraph, the term 'applicable facility' means a qualified facility which—

''(i) uses wind to produce electricity (within the meaning of such term as used in section 45(d)(1), as determined without regard to any requirement under such section with respect to the date on which construction of property begins), or

''(ii) uses solar energy to produce electricity (within the meaning of such term as used in section 45(d)(4), as determined without regard to any requirement under such section with respect to the date on which construction of property begins).''.

(b) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45Y is amended—

(1) in subsection (b)(1), by adding at the end the following new subparagraph:

''(E) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The term 'qualified facility' shall not include any facility for which construction begins after December 31, 2025, if the construction of such facility includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).'', and

(2) in subsection (g), by adding at the end the following new paragraph:

''(13) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to a qualified facility described in subsection (b)(1).''.

(c) DEFINITIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 7701(a) is amended by adding at the end the following new paragraphs:

''(51) PROHIBITED FOREIGN ENTITY.—

''(A) IN GENERAL.—

''(i) DEFINITION.—The term 'prohibited foreign entity' means a specified foreign entity or a foreign-influenced entity.

''(ii) DETERMINATION.—

''(I) IN GENERAL.—Subject to subclause (II), for any taxable year, the determination as to whether an entity is a specified foreign entity or foreign-influenced entity shall be made as of the last day of such taxable year.

''(II) INITIAL TAXABLE YEAR.—For purposes of the first taxable year beginning after the date of enactment of this paragraph, the determination as to whether an entity is a specified foreign entity described in clauses (i) through (iv) of subparagraph (B) shall be made as of the first day of such taxable year.

''(B) SPECIFIED FOREIGN ENTITY.—For purposes of this paragraph, the term 'specified foreign entity' means—

''(i) a foreign entity of concern described in subparagraph (A), (B), (D), or (E) of section 9901(8) of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283; 15 U.S.C. 4651),

''(ii) an entity identified as a Chinese military company operating in the United States in accordance with section 1260H of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283; 10 U.S.C. 113 note),

''(iii) an entity included on a list required by clause (i), (ii), (iv), or (v) of section 2(d)(2)(B) of Public Law 117–78 (135 Stat. 1527),

''(iv) an entity specified under section 154(b) of the National Defense Authorization Act for Fiscal Year 2024 (Public Law 118–31; 10 U.S.C. note prec. 4651), or

''(v) a foreign-controlled entity.

''(C) FOREIGN-CONTROLLED ENTITY.—For purposes of subparagraph (B), the term 'foreign-controlled entity' means—

''(i) the government (including any level of government below the national level) of a covered nation,

''(ii) an agency or instrumentality of a government described in clause (i),

''(iii) a person who is a citizen or national of a covered nation, provided that such person is not an individual who is a citizen, national, or lawful permanent resident of the United States,

''(iv) an entity or a qualified business unit (as defined in section 989(a)) incorporated or organized under the laws of, or having its principal place of business in, a covered nation, or

''(v) an entity (including subsidiary entities) controlled (as determined under subparagraph (G)) by an entity described in clause (i), (ii), (iii), or (iv).

''(D) FOREIGN-INFLUENCED ENTITY.—

''(i) IN GENERAL.—For purposes of subparagraph (A), the term 'foreign-influenced entity' means an entity—

''(I) with respect to which, during the taxable year—

''(aa) a specified foreign entity has the direct authority to appoint a covered officer of such entity,

''(bb) a single specified foreign entity owns at least 25 percent of such entity,

''(cc) one or more specified foreign entities own in the aggregate at least 40 percent of such entity, or

''(dd) at least 15 percent of the debt of such entity has been issued, in the aggregate, to 1 or more specified foreign entities, or

''(II) which, during the previous taxable year, made a payment to a specified foreign entity pursuant to a contract, agreement, or other arrangement which entitles such specified foreign entity (or an entity related to such specified foreign entity) to exercise effective control over—

''(aa) any qualified facility or energy storage technology of the taxpayer (or any person related to the taxpayer), or

''(bb) with respect to any eligible component produced by the taxpayer (or any person related to the taxpayer)—

''(AA) the extraction, processing, or recycling of any applicable critical mineral, or

''(BB) the production of an eligible component which is not an applicable critical mineral.

''(ii) EFFECTIVE CONTROL.—

''(I) IN GENERAL.—

''(aa) GENERAL RULE.—Subject to subclause (II), for purposes of clause (i)(II), the term 'effective control' means 1 or more agreements or arrangements similar to those described in subclauses (II) and (III) which provide 1 or more contractual counterparties of a taxpayer with specific authority over key aspects of the production of eligible components, energy generation in a qualified facility, or energy storage which are not included in the measures of control through authority, ownership, or debt held which are described in clause (i)(I).

''(bb) GUIDANCE.—The Secretary shall issue such guidance as is necessary to carry out the purposes of this clause, including the establishment of rules to prevent entities from evading, circumventing, or abusing the application of the restrictions described subparagraph (C) and subclauses (II) and (III) of this clause through a contract, agreement, or other arrangement.

''(II) APPLICATION OF RULES PRIOR TO ISSUANCE OF GUIDANCE.—During any period prior to the date that the guidance described in subclause (I)(bb) is issued by the Secretary, for purposes of clause (i)(II), the term 'effective control' means the unrestricted contractual right of a contractual counterparty to—

''(aa) determine the quantity or timing of production of an eligible component produced by the taxpayer,

''(bb) determine the amount or timing of activities related to the production of electricity undertaken at a qualified facility of the taxpayer or the storage of electrical energy in energy storage technology of the taxpayer,

''(cc) determine which entity may purchase or use the output of a production unit of the taxpayer that produces eligible components,

''(dd) determine which entity may purchase or use the output of a qualified facility of the taxpayer,

''(ee) restrict access to data critical to production or storage of energy undertaken at a qualified facility of the taxpayer, or to the site of production or any part of a qualified facility or energy storage technology of the taxpayer, to the personnel or agents of such contractual counterparty, or

''(ff) on an exclusive basis, maintain, repair, or operate any plant or equipment which is necessary to the production by the taxpayer of eligible components or electricity.

''(III) LICENSING AND OTHER AGREEMENTS.—

''(aa) IN GENERAL.—In addition to subclause (II), for purposes of clause (i)(II), the term 'effective control' means, with respect to a licensing agreement for the provision of intellectual property or any other contract, agreement, or other arrangement entered into with a contractual counterparty which is related to such licensing agreement and to a qualified facility, energy storage technology, or the production of an eligible component, any of the following:

''(AA) A contractual right retained by the contractual counterparty to specify or otherwise direct 1 or more sources of components, subcomponents, or applicable critical minerals utilized in a qualified facility, energy storage technology, or in the production of an eligible component.

''(BB) A contractual right retained by the contractual counterparty to direct the operation of any qualified facility, any energy storage technology, or any production unit that produces an eligible component.

''(CC) A contractual right retained by the contractual counterparty to limit the taxpayer's utilization of intellectual property related to the operation of a qualified facility or energy storage technology, or in the production of an eligible component.

''(DD) A contractual right retained by the contractual counterparty to receive royalties under the licensing agreement or any similar agreement (or payments under any related agreement) beyond the 10th year of the agreement (including modifications or extensions thereof).

''(EE) A contractual right retained by the contractual counterparty to direct or otherwise require the taxpayer to enter into an agreement for the provision of services for a duration longer than 2 years (including any modifications or extensions thereof).

''(FF) Such contract, agreement, or other arrangement does not provide the licensee with all the technical data, information, and know-how necessary to enable the licensee to produce the eligible component or components subject to the contract, agreement, or other arrangement without further involvement from the contractual counterparty or a specified foreign entity.

''(GG) Such contract, agreement, or other arrangement was entered into (or modified) on or after June 16, 2025.

''(bb) EXCEPTION.—

''(AA) IN GENERAL.—Item (aa) shall not apply in the case of a bona fide purchase or sale of intellectual property.

''(BB) BONA FIDE PURCHASE OR SALE.—For purposes of item (aa), any purchase or sale of intellectual property where the agreement provides that ownership of the intellectual property reverts to the contractual counterparty after a period of time shall not be considered a bona-fide purchase or sale.

''(IV) PERSONS RELATED TO THE TAXPAYER.—For purposes of subclauses (I), (II), and (III), the term 'taxpayer' shall include any person related to the taxpayer.

''(V) CONTRACTUAL COUNTERPARTY.—For purposes of this clause, the term 'contractual counterparty' means an entity with which the taxpayer has entered into a contract, agreement, or other arrangement.

''(iii) GUIDANCE.—Not later than December 31, 2026, the Secretary shall issue such guidance as is necessary to carry out the purposes of this subparagraph, including establishment of rules to prevent entities from evading, circumventing, or abusing the application of the restrictions against impermissible technology licensing arrangements with specified foreign entities, such as through temporary transfers of intellectual property, retention by a specified foreign entity of a reversionary interest in transferred intellectual property, or otherwise.

''(E) PUBLICLY TRADED ENTITIES.—

''(i) IN GENERAL.—

''(I) NONAPPLICATION OF CERTAIN FOREIGN-CONTROLLED ENTITY RULES.—Subparagraph (C)(v) shall not apply in the case of any entity the securities of which are regularly traded on—

''(aa) a national securities exchange which is registered with the Securities and Exchange Commission,

''(bb) the national market system established pursuant to section 11A of the Securities and Exchange Act of 1934, or

''(cc) any other exchange or other market which the Secretary has determined in guidance issued under section 1296(e)(1)(A)(ii) has rules adequate to carry out the purposes of part VI of subchapter P of chapter 1 of subtitle A.

''(II) NONAPPLICATION OF CERTAIN FOREIGN-INFLUENCED ENTITY RULES.—Subparagraph (D)(i)(I) shall not apply in the case of any entity—

''(aa) the securities of which are regularly traded in a manner described in subclause (I), or

''(bb) for which not less than 80 percent of the equity securities of such entity are owned directly or indirectly by an entity which is described in item (aa).

''(III) EXCLUSION OF EXCHANGES OR MARKETS IN COVERED NATIONS.—Subclause (I)(cc) shall not apply with respect to any exchange or market which—

''(aa) is incorporated or organized under the laws of a covered nation, or

''(bb) has its principal place of business in a covered nation.

''(ii) ADDITIONAL FOREIGN-CONTROLLED ENTITY REQUIREMENTS FOR PUBLICLY TRADED COMPANIES.—In the case of an entity described in clause (i)(I), such entity shall be deemed to be a foreign-controlled entity under subparagraph (C)(v) if such entity is controlled (as determined under subparagraph (G)) by—

''(I) 1 or more specified foreign entities (as determined without regard to subparagraph (B)(v)) that are each required to report their beneficial ownership pursuant to a rule described in clause (iii)(I)(bb), or

''(II) 1 or more foreign-controlled entities (as determined without regard to subparagraph (C)(v)) that are each required to report their beneficial ownership pursuant to a rule described in such clause.

''(iii) ADDITIONAL FOREIGN-INFLUENCED ENTITY REQUIREMENTS FOR PUBLICLY TRADED COMPANIES.—In the case of an entity described in clause (i)(II), such entity shall be deemed to be a foreign-influenced entity under subparagraph (D)(i)(I) if—

''(I) during the taxable year—

''(aa) a specified foreign entity has the authority to appoint a covered officer of such entity,

''(bb) a single specified foreign entity required to report its beneficial ownership under Rule 13d-3 of the Securities and Exchange Act of 1934 (or, in the case of an exchange or market described in clause (i)(I)(cc), an equivalent rule) owns not less than 25 percent of such entity, or

''(cc) 1 or more specified foreign entities that are each required to report their beneficial ownership under Rule 13d-3 of the Securities and Exchange Act of 1934 own, in the aggregate, not less than 40 percent of such entity, or

''(II) such entity has issued debt, as part of an original issuance, in excess of 15 percent of its publicly-traded debt to 1 or more specified foreign entities.

''(F) COVERED OFFICER.—For purposes of this paragraph, the term 'covered officer' means, with respect to an entity—

''(i) a member of the board of directors, board of supervisors, or equivalent governing body,

''(ii) an executive-level officer, including the president, chief executive officer, chief operating officer, chief financial officer, general counsel, or senior vice president, or

''(iii) an individual having powers or responsibilities similar to those of officers or members described in clause (i) or (ii).

''(G) DETERMINATION OF CONTROL.—For purposes of subparagraph (C)(v), the term 'control' means—

''(i) in the case of a corporation, ownership (by vote or value) of more than 50 percent of the stock in such corporation,

''(ii) in the case of a partnership, ownership of more than 50 percent of the profits interests or capital interests in such partnership, or

''(iii) in any other case, ownership of more than 50 percent of the beneficial interests in the entity.

''(H) DETERMINATION OF OWNERSHIP.—For purposes of this section, section 318(a)(2) shall apply for purposes of determining ownership of stock in a corporation. Similar principles shall apply for purposes of determining ownership of interests in any other entity.

''(I) OTHER DEFINITIONS.—For purposes of this paragraph—

''(i) APPLICABLE CRITICAL MINERAL.—The term 'applicable critical mineral' has the same meaning given such term under section 45X(c)(6).

''(ii) COVERED NATION.—The term 'covered nation' has the same meaning given such term under section 4872(f)(2) of title 10, United States Code.

''(iii) ELIGIBLE COMPONENT.—The term 'eligible component' has the same meaning given such term under section 45X(c)(1).

''(iv) ENERGY STORAGE TECHNOLOGY.—The term 'energy storage technology' has the same meaning given such term under section 48E(c)(2).

''(v) QUALIFIED FACILITY.—The term 'qualified facility' means—

''(I) a qualified facility, as defined in section 45Y(b)(1), and

''(II) a qualified facility, as defined in section 48E(b)(3).

''(vi) RELATED.—The term 'related' shall have the same meaning given such term under sections 267(b) and 707(b).

''(J) REGULATIONS AND GUIDANCE.—The Secretary may prescribe such regulations and guidance as may be necessary or appropriate to carry out the provisions of this paragraph, including rules to prevent the circumvention of any rules or restrictions with respect to prohibited foreign entities.

''(52) MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—

''(A) IN GENERAL.—The term 'material assistance from a prohibited foreign entity' means—

''(i) with respect to any qualified facility or energy storage technology, a material assistance cost ratio which is less than the threshold percentage applicable under subparagraph (B), or

''(ii) with respect to any facility which produces eligible components, a material assistance cost ratio which is less than the threshold percentage applicable under subparagraph (C).

''(B) THRESHOLD PERCENTAGE FOR QUALIFIED FACILITIES AND ENERGY STORAGE TECHNOLOGY.—For purposes of subparagraph (A)(i), the threshold percentage shall be—

''(i) in the case of a qualified facility the construction of which begins—

''(I) after June 16, 2025, and before January 1, 2026, 37.5 percent,

''(II) during calendar year 2026, 40 percent,

''(III) during calendar year 2027, 45 percent,

''(IV) during calendar year 2028, 50 percent,

''(V) during calendar year 2029, 55 percent, and

''(VI) after December 31, 2029, 60 percent, and

''(ii) in the case of energy storage technology the construction of which begins—

''(I) during calendar year 2026, 55 percent,

''(II) during calendar year 2027, 60 percent,

''(III) during calendar year 2028, 65 percent,

''(IV) during calendar year 2029, 70 percent, and

''(V) after December 31, 2029, 75 percent.

''(C) THRESHOLD PERCENTAGE FOR ELIGIBLE COMPONENTS.—

''(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the threshold percentage shall be—

''(I) in the case of any solar energy component (as such term is defined in section 45X(c)(3)(A)) which is sold—

''(aa) during calendar year 2026, 50 percent,

''(bb) during calendar year 2027, 60 percent,

''(cc) during calendar year 2028, 70 percent,

''(dd) during calendar year 2029, 80 percent, and

''(ee) after December 31, 2029, 85 percent,

''(II) in the case of any wind energy component (as such term is defined in section 45X(c)(4)(A)) which is sold—

''(aa) during calendar year 2026, 85 percent, and

''(bb) during calendar year 2027, 90 percent,

''(III) in the case of any inverter described in subparagraphs (B) through (G) of section 45X(c)(2) which is sold—

''(aa) during calendar year 2026, 50 percent,

''(bb) during calendar year 2027, 55 percent,

''(cc) during calendar year 2028, 60 percent,

''(dd) during calendar year 2029, 65 percent, and

''(ee) after December 31, 2029, 70 percent,

''(IV) in the case of any qualifying battery component (as such term is defined in section 45X(c)(5)(A)) which is sold—

''(aa) during calendar year 2026, 60 percent,

''(bb) during calendar year 2027, 65 percent,

''(cc) during calendar year 2028, 70 percent,

''(dd) during calendar year 2029, 80 percent, and

''(ee) after December 31, 2029, 85 percent, and

''(V) subject to clause (ii), in the case of any applicable critical mineral (as such term is defined in section 45X(c)(6)) which is sold—

''(aa) after December 31, 2025, and before January 1, 2030, 0 percent,

''(bb) during calendar year 2030, 25 percent,

''(cc) during calendar year 2031, 30 percent,

''(dd) during calendar year 2032, 40 percent, and

''(ee) after December 31, 2032, 50 percent.

''(ii) ADJUSTED THRESHOLD PERCENTAGE FOR APPLICABLE CRITICAL MINERALS.—Not later than December 31, 2027, the Secretary shall issue threshold percentages for each of the applicable critical minerals described in section 45X(c)(6)), which shall—

''(I) apply in lieu of the threshold percentage determined under clause (i)(V) for each calendar year, and

''(II) equal or exceed the threshold percentage which would otherwise apply with respect to such applicable critical mineral under such clause for such calendar year, taking into account—

''(aa) domestic geographic availability,

''(bb) supply chain constraints,

''(cc) domestic processing capacity needs, and

''(dd) national security concerns.

''(D) MATERIAL ASSISTANCE COST RATIO.—

''(i) QUALIFIED FACILITIES AND ENERGY STORAGE TECHNOLOGY.—For purposes of subparagraph (A)(i), the term 'material assistance cost ratio' means the amount (expressed as a percentage) equal to the quotient of—

''(I) an amount equal to—

''(aa) the total direct costs to the taxpayer attributable to all manufactured products (including components) which are incorporated into the qualified facility or energy storage technology upon completion of construction, minus

''(bb) the total direct costs to the taxpayer attributable to all manufactured products (including components) which are—

''(AA) incorporated into the qualified facility or energy storage technology upon completion of construction, and

''(BB) mined, produced, or manufactured by a prohibited foreign entity, divided by

''(II) the amount described in subclause (I)(aa).

''(ii) ELIGIBLE COMPONENTS.—For purposes of subparagraph (A)(ii), the term 'material assistance cost ratio' means the amount (expressed as a percentage) equal to the quotient of—

''(I) an amount equal to—

''(aa) with respect to an eligible component, the total direct material costs that are

paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer for production of such eligible component, minus

''(bb) with respect to an eligible component, the total direct material costs that are paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer for production of such eligible component that are attributable to a prohibited foreign entity, divided by

''(II) the amount described in subclause (I)(aa).

''(iii) SAFE HARBOR TABLES.—

''(I) IN GENERAL.—Not later than December 31, 2026, the Secretary shall issue safe harbor tables (and such other guidance as deemed necessary) to—

''(aa) identify the percentage of total direct costs of any manufactured product which is attributable to a prohibited foreign entity,

''(bb) identify the percentage of total direct material costs of any eligible component which is attributable to a prohibited foreign entity, and

''(cc) provide all rules necessary to determine the amount of a taxpayer's material assistance from a prohibited foreign entity within the meaning of this paragraph.

''(II) SAFE HARBORS PRIOR TO ISSUANCE.—For purposes of this paragraph, prior to the date on which the Secretary issues the safe harbor tables described in subclause (I), and for construction of a qualified facility or energy storage technology which begins on or before the date which is 60 days after the date of issuance of such tables, a taxpayer may—

''(aa) use the tables included in Internal Revenue Service Notice 2025–08 to establish the percentage of the total direct costs of any listed eligible component and any manufactured product, and

''(bb) rely on a certification by the supplier of the manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component—

''(AA) of the total direct costs or the total direct material costs, as applicable, of such product or component that was not produced or manufactured by a prohibited foreign entity, or

''(BB) that such product or component was not produced or manufactured by a prohibited foreign entity.

''(III) EXCEPTION.—Notwithstanding subclauses (I) and (II)—

''(aa) if the taxpayer knows (or has reason to know) that a manufactured product or eligible component was produced or manufactured by a prohibited foreign entity, the taxpayer shall treat all direct costs with respect to such manufactured product, or all direct material costs with respect to such eligible component, as attributable to a prohibited foreign entity, and

''(bb) if the taxpayer knows (or has reason to know) that the certification referred to in subclause (II)(bb) pertaining to a manufactured product or eligible component is inaccurate, the taxpayer may not rely on such certification.

''(IV) CERTIFICATION REQUIREMENT.—In a manner consistent with Treasury Regulation section 1.45X–4(c)(4)(i) (as in effect on the date of enactment of this paragraph), the certification referred to in subclause (II)(bb) shall—

''(aa) include—

''(AA) the supplier's employer identification number, or

''(BB) any such similar identification number issued by a foreign government,

''(bb) be signed under penalties of perjury,

''(cc) be retained by the supplier and the taxpayer for a period of not less than 6 years and shall be provided to the Secretary upon request, and

''(dd) be from the supplier from which the taxpayer purchased any manufactured product, eligible component, or constituent elements, materials, or subcomponents of an eligible component, stating either—

''(AA) that such property was not produced or manufactured by a prohibited foreign entity and that the supplier is not aware that any prior supplier in the chain of production of that property is a prohibited foreign entity,

''(BB) for purposes of section 45X, the total direct material costs for each component, constituent element, material, or subcomponent that were not produced or manufactured by a prohibited foreign entity, or

''(CC) for purposes of section 45Y or section 48E, the total direct costs attributable to all manufactured products that were not produced or manufactured by a prohibited foreign entity.

''(iv) EXISTING CONTRACT.—Upon the election of the taxpayer (in such form and manner as the Secretary shall designate), in the case of any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component which is—

''(I) acquired by the taxpayer, or manufactured or assembled by or for the taxpayer, pursuant to a binding written contract which was entered into prior to June 16, 2025, and

''(II)(aa) placed into service before January 1, 2030 (or, in the case of an applicable facility, as defined in section 45Y(d)(4)(B), before January 1, 2028), or

''(bb) in the case of a constituent element, material, or subcomponent, used in a product sold before January 1, 2030,

the cost to the taxpayer with respect to such product, component, element, material, or subcomponent shall not be included for purposes of determining the material assistance cost ratio under this subparagraph.

''(v) ANTI-CIRCUMVENTION RULES.—The Secretary shall prescribe such regulations and guidance as may be necessary or appropriate to prevent circumvention of the rules under this subparagraph, including prevention of—

''(I) any abuse of the exception provided under clause (iv) through the stockpiling of any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component during any period prior to the application of the requirements under this paragraph, or

''(II) any evasion with respect to the requirements of this subparagraph where the facts and circumstances demonstrate that the beginning of construction of a qualified facility or energy storage technology has not in fact occurred.

''(E) OTHER DEFINITIONS.—For purposes of this paragraph—

''(i) ELIGIBLE COMPONENT.—The term 'eligible component' means—

''(I) any property described in section 45X(c)(1), or

''(II) any component which is identified by the Secretary pursuant to regulations or guidance issued under subparagraph (G).

''(ii) ENERGY STORAGE TECHNOLOGY.—The term 'energy storage technology' has the same meaning given such term under section 48E(c)(2).

''(iii) MANUFACTURED PRODUCT.—The term 'manufactured product' means—

''(I) a manufactured product which is a component of a qualified facility, as described in section 45Y(g)(11)(B) and any guidance issued thereunder, or

''(II) any product which is identified by the Secretary pursuant to regulations or guidance issued under subparagraph (G).

''(iv) QUALIFIED FACILITY.—The term 'qualified facility' means—

''(I) a qualified facility, as defined in section 45Y(b)(1),

''(II) a qualified facility, as defined in section 48E(b)(3), and

''(III) any qualified interconnection property (as defined in section 48E(b)(4)) which is part of the qualified investment with respect to a qualified facility (as described in section 48E(b)(1)).

''(F) REGULATIONS AND GUIDANCE.—The Secretary may prescribe such regulations and guidance as may be necessary or appropriate to carry out the provisions of this paragraph, including—

''(i) identification of components or products for purposes of clauses (i) and (iii) of subparagraph (E), and

''(ii) for purposes of subparagraph (A)(ii), rules to address facilities which produce more than one eligible component.

''(53) BEGINNING OF CONSTRUCTION.—For purposes of applying any provision under section 45, 45Y, 48, or 48E, the beginning of construction with respect to any property shall be determined pursuant to rules similar to the rules under Internal Revenue Service Notice 2013–29 and Internal Revenue Service Notice 2018-59 (as well as any subsequently issued guidance clarifying, modifying, or updating either such Notice), as in effect on January 1, 2025, including the Physical Work Test, Five Percent Safe Harbor Continuity Requirement, and Continuity Safe Harbor Periods therein.''.

(d) DENIAL OF CREDIT FOR CERTAIN WIND AND SOLAR LEASING ARRANGEMENTS.—Section 45Y is amended by adding at the end the following new subsection:

''(h) DENIAL OF CREDIT FOR WIND AND SOLAR LEASING ARRANGEMENTS.—No credit shall be determined under this section with respect to any production of electricity during the taxable year with respect to property described in paragraph (1) or (4) of section 25D(d) (as applied by substituting 'lessee' for 'taxpayer') if the taxpayer rents or leases such property to a third party during such taxable year.''.

(e) EMISSIONS RATES TABLES.—Section 45Y(b)(2)(C) is amended by adding at the end the following new clause:

''(iii) EXISTING STUDIES.—For purposes of clause (i), in determining greenhouse gas emissions rates for types or categories of facilities for the purpose of determining whether a facility satisfies the requirements under paragraph (1), the Secretary shall consider studies published on or before the date of enactment of this clause which demonstrate a net lifecycle greenhouse gas emissions rate which is not greater than zero using widely accepted lifecycle assessment concepts, such as concepts described in standards developed by the International Organization for Standardization.''.

(f) NUCLEAR ENERGY COMMUNITIES.—

(1) IN GENERAL.—Section 45(b)(11) is amended—

(A) in subparagraph (B)—

(i) in clause (ii)(II), by striking ''or'' at the end,

(ii) in clause (iii)(II), by striking the period at the end and inserting '', or'', and

(iii) by adding at the end the following new clause:

''(iv) for purposes of any qualified facility which is an advanced nuclear facility, a metropolitan statistical area which has (or, at any time during the period beginning after December 31, 2009, had) 0.17 percent or greater direct employment related to the advancement of nuclear power, including employment related to—

''(I) an advanced nuclear facility,

''(II) advanced nuclear power research and development,

''(III) nuclear fuel cycle research, development, or production, including mining, enrichment, manufacture, storage, disposal, or recycling of nuclear fuel, and

''(IV) the manufacturing or assembly of components used in an advanced nuclear facility.'', and

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

''(C) ADVANCED NUCLEAR FACILITIES.—

''(i) IN GENERAL.—Subject to clause (ii), for purposes of subparagraph (B)(iv), the term 'advanced nuclear facility' means any nuclear facility the reactor design for which is approved in the manner described in section 45J(d)(2).

''(ii) SPECIAL RULE.—For purposes of clause (i), a facility shall be deemed to have a reactor design which is approved in the manner described in section 45J(d)(2) if the Nuclear Regulatory Commission has authorized construction and issued a site-specific construction permit or combined license with respect to such facility.''.

(2) NONAPPLICATION FOR CLEAN ELECTRICITY INVESTMENT CREDIT.—Section 48E(a)(3)(A)(i) is amended by inserting '', as applied without regard to clause (iv) thereof'' after ''section 45(b)(11)(B)''.

(g) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 48D(c) is amended to read as follows:

''(1) is not a specified foreign entity (as defined in section 7701(a)(51)(B)), and''.

(2) Section 45Y(b)(1) is amended—

(A) by redesignating subparagraph (D) as subparagraph (E), and

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

''(D) DETERMINATION OF CAPACITY.—For purposes of subparagraph (C), additions of capacity of a facility shall be determined in any reasonable manner, including based on—

''(i) determinations by, or reports to, the Federal Energy Regulatory Commission (including interconnection agreements), the Nuclear Regulatory Commission, or any similar entity, reflecting additions of capacity,

''(ii) determinations or reports reflecting additions of capacity made by an independent professional engineer,

''(iii) reports to, or issued by, regional transmission organizations or independent system operators reflecting additions of capacity, or

''(iv) any other method or manner provided by the Secretary.''.

(h) PROHIBITION ON TRANSFER OF CREDITS TO SPECIFIED FOREIGN ENTITIES.—Section 6418(g) is amended by adding at the end the following new paragraph:

''(5) PROHIBITION ON TRANSFER OF CREDITS TO SPECIFIED FOREIGN ENTITIES.—With respect to any eligible credit described in clause (iii), (iv), (vi), (vii), (viii), or (xi) of subsection (f)(1)(A), an eligible taxpayer may not elect to transfer any portion of such credit to a taxpayer that is a specified foreign entity (as defined in section 7701(a)(51)(B)).''.

(i) EXTENSION OF PERIOD OF LIMITATIONS FOR ERRORS RELATING TO DETERMINING OF MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—Section 6501 is amended—

(1) by redesignating subsection (o) as subsection (p), and

(2) by inserting after subsection (n) the following new subsection:

''(o) MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—In the case of a deficiency attributable to an error with respect to the determination under section 7701(a)(52) for any taxable year, such deficiency may be assessed at any time within 6 years after the return for such year was filed.''.

(j) IMPOSITION OF ACCURACY-RELATED PENALTIES.—

(1) IN GENERAL.—Section 6662 is amended by adding at the end the following new subsection:

''(m) SUBSTANTIAL UNDERSTATEMENT OF INCOME TAX DUE TO DISALLOWANCE OF APPLICABLE ENERGY CREDITS.—

''(1) IN GENERAL.—In the case of a taxpayer for which there is a disallowance of an applicable energy credit for any taxable year, for purposes of determining whether there is a substantial understatement of income tax for such taxable year, subsection (d)(1) shall be applied—

''(A) in subparagraphs (A) and (B), by substituting '1 percent' for '10 percent' each place it appears, and

''(B) without regard to subparagraph (C).

''(2) DISALLOWANCE OF AN APPLICABLE ENERGY CREDIT.—For purposes of this subsection, the term 'disallowance of an applicable energy credit' means the disallowance of a credit under section 45X, 45Y, or 48E by reason of overstating the material assistance cost ratio (as determined under section 7701(a)(52)) with respect to any qualified facility, energy storage technology, or facility which produces eligible components.''.

(2) CONFORMING AMENDMENT.—Section 6417(d)(6) is amended by adding at the end the following new subparagraph:

''(D) DISALLOWANCE OF AN APPLICABLE ENERGY CREDIT.—In the case of an applicable entity which made an election under subsection (a) with respect to an applicable credit for which there is a disallowance described in section 6662(m)(2), subparagraph (A) shall apply with respect to any excessive payment resulting from such disallowance.''.

(k) PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 is amended by inserting after section 6695A the following new section:

''SEC. 6695B. PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.

''(a) IMPOSITION OF PENALTY.—If—

''(1) a person—

''(A) provides a certification described in clause (iii)(II)(bb) of section 7701(a)(52)(D) with respect to any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component, and

''(B) knows, or reasonably should have known, that the certification would be used in connection with a determination under such section,

''(2) such certification is inaccurate or false with respect to—

''(A) whether such property was produced or manufactured by a prohibited foreign entity, or

''(B) the total direct costs or total direct material costs of such property that was not produced or manufactured by a prohibited foreign entity that were provided on such certification, and

''(3) the inaccuracy or falsity described in paragraph (2) resulted in the disallowance of an applicable energy credit (as defined in section 6662(m)(2)) and an understatement of income tax (within the meaning of section 6662(d)(2)) for the taxable year in an amount which exceeds the lesser of—

''(A) 5 percent of the tax required to be shown on the return for the taxable year, or

''(B) $100,000,

then such person shall pay a penalty in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—The amount of the penalty imposed under subsection (a) on any person with respect to a certification shall be equal to the greater of—

''(1) 10 percent of the amount of the underpayment (as defined in section 6664(a)) solely attributable to the inaccuracy or falsity described in subsection (a)(2), or

''(2) $5,000.

''(c) EXCEPTION.—No penalty shall be imposed under subsection (a) if the person establishes to the satisfaction of the Secretary that any inaccuracy or falsity described in subsection (a)(2) is due to a reasonable cause and not willful neglect.

''(d) DEFINITIONS.—Any term used in this section which is also used in section 7701(a)(52) shall have the meaning given such term in such section.''.

(2) CLERICAL AMENDMENTS.—

(A) Section 6696 is amended—

(i) in the heading, by striking ''**AND 6695A**'' and inserting ''**6695A, AND 6695B**'',

(ii) in subsections (a), (b), and (e), by striking ''and 6695A'' each place it appears and inserting ''6695A, and 6695B'',

(iii) in subsection (c), by striking ''or 6695A'' and inserting ''6695A, or 6695B'', and

(iv) in subsection (d)—

(I) in paragraph (1), by inserting ''(or, in the case of any penalty under section 6695B, 6 years)'' after ''assessed within 3 years'', and

(II) in paragraph (2), by inserting ''(or, in the case of any claim for refund of an overpayment of any penalty assessed under section 6695B, 6 years)'' after ''filed within 3 years''.

(B) The table of sections for part I of subchapter B of chapter 68 is amended by inserting after item relating to section 6695A the following new item:

''Sec. 6695B. Penalty for substantial misstatements on certification provided by supplier.''.

(l) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), (4), and (5), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The amendments made by subsection (b)(1) shall apply to facilities for which construction begins after December 31, 2025.

(3) PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.—The amendments made by subsection (k) shall apply to certifications provided after December 31, 2025.

SEC. 70513. PHASE-OUT AND RESTRICTIONS ON CLEAN ELECTRICITY INVESTMENT CREDIT.

(a) PHASE-OUT FOR WIND AND SOLAR FACILITIES.—Section 48E(e) is amended—

(1) in paragraph (1), by striking ''The amount of'' and inserting ''Subject to paragraph (4), the amount of'', and

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

''(4) PHASE-OUT FOR WIND AND SOLAR FACILITIES.—

''(A) IN GENERAL.—The amount of the clean electricity investment credit under subsection (a) for any qualified property the construction of which begins during any calendar year described in subparagraph (B) which is part of an applicable facility shall be equal to the product of—

''(i) the amount of the credit determined under subsection (a) without regard to this paragraph, multiplied by

''(ii) the phase-out percentage under subparagraph (B).

''(B) PHASE-OUT PERCENTAGE.—The phase-out percentage under this subparagraph is equal to—

''(i) for any qualified property the construction of which begins during calendar year 2026, 60 percent,

''(ii) for any qualified property the construction of which begins during calendar year 2027, 20 percent, and

''(iii) for any qualified property the construction of which begins after December 31, 2027, 0 percent,

''(C) APPLICABLE FACILITY.—For purposes of this paragraph, the term 'applicable facility' means a qualified facility which—

''(i) uses wind to produce electricity (within the meaning of such term as used in section 45(d)(1), as determined without regard to any requirement under such section with respect to the date on which construction of property begins), or

''(ii) uses solar energy to produce electricity (within the meaning of such term as used in section 45(d)(4), as determined without regard to any requirement under such section with respect to the date on which construction of property begins).

''(D) EXCEPTION.—This paragraph shall not apply with respect to any energy storage technology which is placed in service at any applicable facility.''.

(b) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

(1) IN GENERAL.—Section 48E is amended—

(A) in subsection (b)—

(i) by redesignating paragraph (6) as paragraph (7), and

(ii) by inserting after paragraph (5) the following new paragraph:

''(6) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The terms 'qualified facility' and 'qualified interconnection property' shall not include any facility or property the construction, reconstruction, or erection of which begins after December 31, 2025, if the construction, reconstruction, or erection of such facility or property includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).'', and

(B) in subsection (c), by adding at the end the following new paragraph:

''(3) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The term 'energy storage technology' shall not include any property the construction of which begins after December 31, 2025, if the construction of such property includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).''.

(2) ADDITIONAL RESTRICTIONS.—Section 48E(d) is amended by adding at the end the following new paragraph:

''(6) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to a qualified facility described in subsection (b)(3) or energy storage technology described in subsection (c)(2).''.

(3) RECAPTURE.—

(A) IN GENERAL.—Section 50(a) is amended—

(i) by redesignating paragraphs (4) through (6) as paragraphs (5) through (7), respectively,

(ii) by inserting after paragraph (3) the following new paragraph:

''(4) PAYMENTS TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—If there is an applicable payment made by a specified taxpayer before the close of the 10-year period beginning on the date such taxpayer placed in service investment credit property which is eligible for the clean electricity investment credit under section 48E(a), then the tax under this chapter for the taxable year in which such applicable payment occurs shall be increased by 100 percent of the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero any credit determined under section 46 which is attributable to the clean electricity investment credit under section 48E(a) with respect to such property.

''(B) APPLICABLE PAYMENT.—For purposes of this paragraph, the term 'applicable payment' means, with respect to any taxable year, a payment or payments described in section 7701(a)(51)(D)(i)(II).

''(C) SPECIFIED TAXPAYER.—For purposes of this paragraph, the term 'specified taxpayer' means any taxpayer who has been allowed a credit under section 48E(a) for any taxable year beginning after the date which is 2 years after the date of enactment of this paragraph.'',

(iii) in paragraph (5), as redesignated by clause (i), by striking ''or any applicable transaction to which paragraph (3)(A) applies,'' and inserting ''any applicable transaction to which paragraph (3)(A) applies, or any applicable payment to which paragraph (4)(A) applies,'', and

(iv) in paragraph (7), as redesignated by clause (i), by striking ''or (3)'' and inserting ''(3), or (4)''.

(B) CONFORMING AMENDMENTS.—

(i) Section 1371(d)(1) is amended by striking ''section 50(a)(5)'' and inserting ''section 50(a)(6)''.

(ii) Section 6418(g)(3) is amended by striking ''subsection (a)(5)'' each place it appears and inserting ''subsection (a)(7)''.

(c) DENIAL OF CREDIT FOR EXPENDITURES FOR CERTAIN WIND AND SOLAR LEASING ARRANGEMENTS.—

(1) IN GENERAL.—Section 48E is amended—

(A) by redesignating subsection (i) as subsection (j), and

(B) by inserting after subsection (h) the following new subsection:

''(i) DENIAL OF CREDIT FOR EXPENDITURES FOR WIND AND SOLAR LEASING ARRANGEMENTS.—No credit shall be determined under this section for any qualified investment during the taxable year with respect to property described in paragraph (1) or (4) of section 25D(d) (as applied by substituting 'lessee' for 'taxpayer') if the taxpayer rents or leases such property to a third party during such taxable year.''.

(2) CONFORMING RULES.—Section 50 is amended by adding at the end the following new subsection:

''(e) RULES FOR GEOTHERMAL HEAT PUMPS.—For purposes of this section and section 168, the ownership of energy property described in section 48(a)(3)(A)(vii) shall be determined without regard to whether such property is readily usable by a person other than the lessee or service recipient.''.

(d) DOMESTIC CONTENT RULES.—Subparagraph (B) of section 48E(a)(3) is amended to read as follows:

''(B) DOMESTIC CONTENT.—Rules similar to the rules of section 48(a)(12) shall apply, except that, for purposes of subparagraph (B) of such section and the application of rules similar to the rules of section 45(b)(9)(B), the adjusted percentage (as determined under section 45(b)(9)(C)) shall be determined as follows:

''(i) In the case of any qualified investment with respect to any qualified facility the construction of which begins before June 16, 2025, 40 percent (or, in the case of a qualified facility which is an offshore wind facility, 20 percent).

''(ii) In the case of any qualified investment with respect to any qualified facility the construction of which begins on or after June 16, 2025, and before January 1, 2026, 45 percent (or, in the case of a qualified facility which is an offshore wind facility, 27.5 percent).

''(iii) In the case of any qualified investment with respect to any qualified facility the construction of which begins during calendar year 2026, 50 percent (or, in the case of a qualified facility which is an offshore wind facility, 35 percent).

''(iv) In the case of any qualified investment with respect to any qualified facility the construction of which begins after December 31, 2026, 55 percent.''.

(e) ELIMINATION OF ENERGY CREDIT FOR CERTAIN ENERGY PROPERTY.—Section 48(a)(2) is amended—

(1) in subparagraph (A)(ii), by striking ''2 percent'' and inserting ''0 percent'', and

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

''(C) NONAPPLICATION OF INCREASES TO ENERGY PERCENTAGE.—For purposes of energy property described in subparagraph (A)(ii), the energy percentage applicable to such property pursuant to such subparagraph shall not be increased or otherwise adjusted by any provision of this section.''.

(f) APPLICATION OF CLEAN ELECTRICITY INVESTMENT CREDIT TO QUALIFIED FUEL CELL PROPERTY.—Section 48E, as amended by subsection (c), is amended—

(1) by redesignating subsection (j) as subsection (k), and

(2) by inserting after subsection (i) the following new subsection:

''(j) APPLICATION TO QUALIFIED FUEL CELL PROPERTY.—For purposes of this section, in the case of any qualified fuel cell property (as defined in section 48(c)(1), as applied without regard to subparagraph (E) thereof)—

''(1) subsection (b)(3)(A) shall be applied without regard to clause (iii) thereof,

''(2) for purposes of subsection (a)(1), the applicable percentage shall be 30 percent and such percentage shall not be increased or otherwise adjusted by any other provision of this section, and

''(3) subsection (g) shall not apply.''.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), (4), and (5), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) DOMESTIC CONTENT RULES.—The amendment made by subsection (d) shall apply on or after June 16, 2025.

(3) ELIMINATION OF ENERGY CREDIT FOR CERTAIN ENERGY PROPERTY.—The amendments made by subsection (e) shall apply to property the construction of which begins on or after June 16, 2025.

(4) APPLICATION OF CLEAN ELECTRICITY INVESTMENT CREDIT TO QUALIFIED FUEL CELL PROPERTY.—The amendments made by subsection (f) shall apply to property the construction of which begins after December 31, 2025.

SEC. 70514A. EXTENSION OF CUSTOMS USER FEES.

(a) IN GENERAL.—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, 2031'' and inserting '' 'September 30, 2035''; and

(2) in subparagraph (B)(i), by striking ''September 30, 2031'' and inserting ''September 30, 2035''.

(b) RATE FOR MERCHANDISE PROCESSING FEES.—Section 503 of the United States-

Korea Free Trade Agreement Implementation Act (Public Law 112–41; 19 U.S.C. 3805 note) is amended by striking ''September 30, 2031'' and inserting ''September 30, 2035''.

SA 2705. Mr. CORNYN proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

At the appropriate place, insert the following:

SEC. _____. EXPANSION FMAP FOR CERTAIN STATES PROVIDING PAYMENTS FOR HEALTH CARE FURNISHED TO CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (y)—

(A) in paragraph (1)(E), by inserting ''(or, for calendar quarters beginning on or after October 1, 2027, in the case such State is a specified State with respect to such calendar quarter, 80 percent)'' after ''thereafter''; and

(B) in paragraph (2), by adding at the end the following new subparagraph:

''(C) SPECIFIED STATE.—The term 'specified State' means, with respect to a quarter, a State that—

''(i) provides any form of financial assistance from a State general fund during such quarter, in whole or in part, whether or not made under a State plan (or waiver of such plan) under this title or under another program established by the State, to or on behalf of an alien who is not a qualified alien and has been charged with, or convicted of, an act described in subparagraph (D), for the purchasing of health insurance coverage (as defined in section 2791(b)(1) of the Public Health Service Act) for any such alien; or

''(ii) provides any form of comprehensive health benefits coverage, except such coverage required by Federal law, during such quarter, whether or not under a State plan (or waiver of such plan) under this title or under another program established by the State, and regardless of the source of funding for such coverage, to any such alien.

''(D) ACTS DESCRIBED.—For purposes of subparagraph (C)(i), an act described in this subparagraph is any of the following:

''(i) A sex offense (as defined in section 111 of the Sex Offender Registration and Notification Act (34 U.S.C. 20911)).

''(ii) A crime involving severe forms of trafficking in persons (as defined in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102)).

''(iii) A crime of domestic violence (as defined in section 40002(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(a))).

''(iv) A crime of child abuse and neglect (as defined in section 3 of the Child Abuse Prevention and Treatment Act (Public Law 93–247; 42 U.S.C. 5101 note)).

''(v) Murder, manslaughter, or an attempt to commit murder or manslaughter (within the meanings of such terms in sections 1111, 1112, and 1113 of title 18, United States Code).

''(vi) A crime involving receipt, distribution, or possession of a visual depiction of a minor engaging in sexually explicit conduct (within the meanings of such terms in section 2252 of title 18, United States Code).

''(E) IMMIGRATION TERMS.—

''(i) ALIEN.—The term 'alien' has the meaning given such term in section 101(a) of the Immigration and Nationality Act.

''(ii) QUALIFIED ALIEN.—The term 'qualified alien' has the meaning given such term in section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, except that the references to '(in the opinion of the agency providing such benefits)' in subsection (c) of such section 431 shall be treated as references to '(in the opinion of the State in which such comprehensive health benefits coverage or such financial assistance is provided, as applicable)'.''; and

(2) in subsection (z)(2)—

(A) in subparagraph (A), by striking ''for such year'' and inserting ''for such quarter''; and

(B) in subparagraph (B)(i)—

(i) in the matter preceding subclause (I), by striking ''for a year'' and inserting ''for a calendar quarter in a year''; and

(ii) in subclause (II), by striking ''for the year'' and inserting ''for the quarter for the State''.

(b) REPEAL.—Section 71110 of this Act is repealed, and the Social Security Act shall be applied as if the amendments made by such section had not been enacted.

SA 2706. Mr. DAINES (for himself and Ms. ERNST) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. SUNSET OF THE TANF CONTINGENCY FUND; IMPROVED FUNDING FOR CHILD CARE.

(a) SUNSET OF TANF CONTINGENCY FUND; RESCISSION.—Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by adding at the end the following new sentence: ''Effective on the date of enactment of this sentence, the unobligated balances of amounts in the Fund are permanently rescinded and no payments shall be made from the Fund on or after such date.'';

(2) in paragraph (3)(A), by striking ''If an eligible'' and inserting ''Subject to paragraph (9), if an eligible''; and

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

''(9) SUNSET OF STATE ELIGIBILITY AND PAYMENT AUTHORITY.—Beginning with the 1st day of the 1st month that begins on or after the date of enactment of this paragraph, no State shall be eligible for, or receive, a payment from the Fund, without regard to whether the State is a needy State for the month for purposes of paragraph (3)(A).''.

(b) IMPROVING ACCESS TO CHILD CARE TO SUPPORT WORK.—Section 418(a)(3) of the Social Security Act (42 U.S.C. 618(a)(3)) is amended by adding after and below subparagraph (C), the following new flush sentence: ''Only for the period of fiscal years 2026 through 2029, there is appropriated for grants under this section to States an additional $2,000,000,000 for such period. On October 1, 2033, the unobligated balances of amounts appropriated under the preceding sentence are permanently rescinded.''.

SA 2707. Mr. MORENO submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REDUCED EXCISE TAX ON HEAVY TRUCKS AND TRAILERS.

(a) IN GENERAL.—Section 4051 is amended by striking ''12 percent'' in subsections (a)(1) and (b)(1) and inserting ''2 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales, uses, and installations after December 31, 2025.

SA 2708. Mr. MORENO submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REDUCED EXCISE TAX ON HEAVY TRUCKS AND TRAILERS.

(a) IN GENERAL.—Section 4051 is amended by striking ''12 percent'' in subsections (a)(1) and (b)(1) and inserting ''2 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales, uses, and installations after December 31, 2025.

SA 2709. Mr. MORENO submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REDUCED EXCISE TAX ON HEAVY TRUCKS AND TRAILERS.

(a) IN GENERAL.—Section 4051 is amended by striking ''12 percent'' in subsections (a)(1) and (b)(1) and inserting ''2 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales, uses, and installations after December 31, 2025.

SA 2710. Ms. BLUNT ROCHESTER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 60005 (relating to rescission of funding to address air pollution at schools).

In section 60025(a), strike ''$256,657,000'' and insert ''$242,657,000''.

SA 2711. Mr. SCHIFF (for himself and Ms. HIRONO) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 922, between lines 2 and 3, insert the following:

SEC. 100058. RESTRICTION ON IMMIGRATION ENFORCEMENT AT FARMS.

No funds made available under this subtitle may be used by any Federal, State, or local agency to carry out an immigration enforcement operation at a farm unless executing a judicial warrant of a violent criminal.

SA 2712. Mr. BLUMENTHAL submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 20003(a)(6), strike ''$7,200,000,000'' and insert ''$4,200,000,000''.

At the end of title II, add the following:

SEC. 20015. UKRAINE SECURITY ASSISTANCE INITIATIVE.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $3,000,000,000, for the Ukraine Security Assistance Initiative.

SA 2713. Ms. ROSEN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 247, strikes line 3 through 10 and insert the following:

(a) ENHANCEMENT OF CHILD TAX CREDIT.—

(1) CREDIT MADE FULLY REFUNDABLE.—Subsection (d) of section 32 is amended to read as follows:

''(d) CREDIT FULLY REFUNDABLE.—

''(1) IN GENERAL.—The aggregate credits allowed to a taxpayer under subpart C shall be increased by the amount of the credit which would be allowed under this section without regard to this subsection and the limitation under section 26(a).

''(2) EXCEPTION FOR TAXPAYERS EXCLUDING FOREIGN EARNED INCOME.—Paragraph (1) shall not apply to any taxpayer for any taxable year if such taxpayer elects to exclude any amount from gross income under section 911 for such taxable year.''.

(2) EXTENSION AND INCREASE OF EXPANDED CHILD TAX CREDIT.—Section 24(h) is amended—

(A) in paragraph (1), by striking '', and before January 1, 2026'',

(B) in paragraph (2), by striking ''$2,000'' and inserting ''$3,600 (or, in the case of a qualifying child who has not attained age 6, $4,320)'',

(C) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017'', and

(D) by striking paragraph (5).

(3) INCREASE IN CORPORATE TAX RATE.—Section 11(b) is amended to read as follows:

''(b) AMOUNT OF TAX.—The amount of the tax imposed by subsection (a) shall be the sum of—

''(1) 21 percent of so much of the taxable income as does not exceed $100,000,000, and

''(2) 28 percent of so much of the taxable income as exceeds $100,000,000.''.

SA 2714. Ms. ROSEN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71121 and insert the following:

SEC. 71121. RESTORATION OF PROGRESSIVE CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended to read as follows:

''(b) AMOUNT OF TAX.—The amount of the tax imposed by subsection (a) shall be the sum of—

''(1) 21 percent of so much of the taxable income as does not exceed $100,000,000, and

''(2) 28 percent of so much of the taxable income as exceeds $100,000,000.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2715. Ms. ROSEN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71117 and insert the following:

SEC. 71117. RESTORATION OF PROGRESSIVE CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended to read as follows:

''(b) AMOUNT OF TAX.—The amount of the tax imposed by subsection (a) shall be the sum of—

''(1) 21 percent of so much of the taxable income as does not exceed $100,000,000, and

''(2) 28 percent of so much of the taxable income as exceeds $100,000,000.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2716. Ms. ROSEN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71121 and insert the following:

SEC. 71121. RESTORATION OF PROGRESSIVE CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended to read as follows:

''(b) AMOUNT OF TAX.—The amount of the tax imposed by subsection (a) shall be the sum of—

''(1) 21 percent of so much of the taxable income as does not exceed $100,000,000, and

''(2) 28 percent of so much of the taxable income as exceeds $100,000,000.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2717. Ms. ROSEN (for herself, Mr. HICKENLOOPER, Mr. BENNET, Mr. KELLY, Ms. CORTEZ MASTO, Mr. WELCH, and Mr. BOOKER) proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

At the end of subtitle A of title VII, insert the following:

CHAPTER 7—ADDITIONAL TAX PROVISIONS

SEC. 70701. MAINTAINING PARITY FOR WIND AND SOLAR FACILITIES.

(a) CLEAN ELECTRICITY PRODUCTION CREDIT.—Section 45Y, as amended by subsections (a) and (d) of section 70512 of this Act, is amended—

(1) in subsection (d), by striking paragraph (4), and

(2) by striking subsection (h).

(b) CLEAN ELECTRICITY INVESTMENT CREDIT.—Section 48E(e), as amended by subsections (a) and (c)(1) of section 70513 of this Act, is amended—

(1) in subsection (e), by striking paragraph (4), and

(2) by striking subsection (i).

SEC. 70702. ESTABLISHMENT OF 39.6 PERCENT INDIVIDUAL INCOME TAX RATE BRACKET.

(a) IN GENERAL.—Section 1(j)(2) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) 39.6 PERCENT RATE BRACKET.—Notwithstanding subparagraphs (A) through (E), in prescribing the tables under this subsection for purposes of paragraph (3)(B)—

''(i) the excess of taxable income over $1,000,000 ($1,500,000 in the case of married individuals filing jointly), if any, shall be taxed at a rate of 39.6 percent, and

''(ii) paragraph (3)(B)(i) shall be applied with respect to such dollar amounts described in clause (i) by substituting '2024' for '2017'.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2718. Mr. MARKEY (for himself and Mr. SCHATZ) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. EXEMPTION FOR SMALL BUSINESS CONCERNS FROM DUTIES IMPOSED PURSUANT TO NATIONAL EMERGENCY DECLARATION.

(a) IN GENERAL.—Duties imposed pursuant to Executive Order 14257 (90 Fed. Reg. 15041) shall not apply with respect to articles imported by or for the use of small business concerns, as defined in section 3 of the Small Business Act (15 U.S.C. 632).

(b) APPLICABILITY.—Subsection (a) applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of the enactment of this Act.

SA 2719. Mr. HICKENLOOPER (for himself, Mr. KELLY, Mr. BOOKER, Mr. WELCH, Ms. SMITH, Ms. ROSEN, and Mr. HEINRICH) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70506 and insert the following:

SEC. 70506. TERMINATION OF RESIDENTIAL CLEAN ENERGY CREDIT.

(a) IN GENERAL.—Section 25D is amended by striking subsection (h) and inserting the following new subsection:

''(h) TERMINATION.—The credit allowed under this section shall not apply with respect to any expenditures made after December 31, 2026.''.

(b) CONFORMING AMENDMENTS.—Section 25D(g) is amended—

(1) in paragraph (2), by inserting ''and'' after the comma at the end,

(2) in paragraph (3), by striking ''and before January 1, 2033, 30 percent,'' and inserting ''30 percent.'', and

(3) by striking paragraphs (4) and (5).

(c) ESTABLISHMENT OF 39.6 PERCENT INDIVIDUAL INCOME TAX RATE BRACKET.—

(1) IN GENERAL.—Section 1(j)(2) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) 39.6 PERCENT RATE BRACKET.—Notwithstanding subparagraphs (A) through (E), in prescribing the tables under this subsection for purposes of paragraph (3)(B)—

''(i) the excess of taxable income over $100,000,000 ($50,000,000 in the case of married individuals filing separate returns), if any, shall be taxed at a rate of 39.6 percent, and

''(ii) paragraph (3)(B)(i) shall be applied with respect to each of such dollar amounts by substituting '2024' for '2017'.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2025.

SA 2720. Mr. HICKENLOOPER (for himself and Mr. HEINRICH) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50101(a), strike the subsection designation and heading and all that follows through ''(136 Stat. 2057)'' in paragraph (2) and insert the following:

(a) REPEAL OF INFLATION REDUCTION ACT PROVISION.—Subsection (a) of section 50262 of Public Law 117–169 (136 Stat. 2056)

SA 2721. Mr. HICKENLOOPER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike subtitle B of title VIII.

SA 2722. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 141, strike lines 19 through 25.

SA 2723. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70120 and insert the following:

SEC. 70120. PERMANENT EXTENSION OF LIMITATION ON INDIVIDUAL DEDUCTIONS FOR CERTAIN STATE AND LOCAL TAXES.

Section 164(b)(6) is amended by striking '', and before January 1, 2026''.

SA 2724. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REGULATIONS FROM THE EXECUTIVE IN NEED OF SCRUTINY ACT OF 2025.

(a) SHORT TITLE.—This section may be cited as the ''Regulations from the Executive in Need of Scrutiny Act of 2025''.

(b) PURPOSE.—The purpose of this section is to increase accountability for and transparency in the Federal regulatory process. Section 1 of article I of the Constitution of the United States grants all legislative powers to Congress. 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. By requiring a vote in Congress, this Act will result in more carefully drafted and detailed legislation, an improved regulatory process, and a legislative branch that is truly accountable to the American people for the laws imposed upon them.

(c) 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 publish in the Federal Register a list of information on which the rule is based, including data, scientific and economic studies, and cost-benefit analyses, and identify how the public can access such information online, and shall submit to each House of the 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 subparagraphs (A) through (C) of section 804(3);

''(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, including an analysis of any jobs added or lost, differentiating between public and private sector jobs;

''(ii) the agency's actions pursuant to sections 603, 604, 605, 607, and 609 of this title;

''(iii) the agency's actions pursuant to sections 202, 203, 204, and 205 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1532, 1533, 1534, 1535); 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. The report of the Comptroller General shall include an assessment of the agency's compliance with procedural steps required by paragraph (1)(B) and an assessment of whether the major rule imposes any new limits or mandates on private-sector activity.

''(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 subsection (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, in the case of 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; 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, sections 802 and 803 shall apply to such rule in the succeeding session of Congress.

''(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; 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 (with blanks filled as appropriate): 'Approving the rule submitted by _____ relating to _____.';

''(C) includes after its resolving clause only the following (with blanks filled as appropriate): 'That Congress approves the rule submitted by _____ relating to _____.'; 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 his or her respective designee) 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 any committee 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 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 at least 5 legislative days to call up that 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) If, before passing a joint resolution described in subsection (a), one House receives from the other a joint resolution having the same text, then—

''(A) the joint resolution of the other House shall not be referred to a committee; and

''(B) the procedure in the receiving House shall be the same as if no joint resolution had been received from the other House until the vote on passage, when the joint resolution received from the other House shall supplant the joint resolution of the receiving House.

''(2) 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 are 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) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

''(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 'guidance document' means a statement of general applicability and future effect, other than a regulatory action, issued by a Federal agency that sets forth—

''(A) a policy on a statutory, regulatory, or technical issue; or

''(B) an interpretation of a statutory or regulatory issue.

''(3) The term 'major rule'—

''(A) 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—

''(i) an annual effect on the economy of $100 million or more;

''(ii) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

''(iii) significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets;

''(B) includes any significant guidance document; and

''(C) does not include any rule promulgated under the Telecommunications Act of 1996 (Public Law 104–104; 110 Stat. 56) or the amendments made by that Act.

''(4) The term 'nonmajor rule' means any rule that is not a major rule.

''(5) The term 'rule'—

''(A) has the meaning given such term in section 551, except that such term does not include—

''(i) 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;

''(ii) any rule relating to agency management or personnel; or

''(iii) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of nonagency parties; and

''(B) includes any guidance document.

''(6) The term 'significant guidance document'—

''(A) means a guidance document disseminated to regulated entities or the general public that may reasonably be anticipated to—

''(i) lead to an annual effect of $100,000,000 or more, or adversely affect in a material way the economy, a sector of the economy, productivity, competition, employment, the environment, public health or safety, or State, local, or Tribal governments or communities;

''(ii) create a serious inconsistency, or otherwise interfere, with an action taken or planned by another agency;

''(iii) materially alter the budgetary impact of any entitlement, grant, user fees, or loan programs, or the rights or obligations of recipients thereof; or

''(iv) raise novel legal or policy issues arising out of legal mandates; and

''(B) does not include any guidance document—

''(i) on regulations issued in accordance with section 556 or 557 of this title;

''(ii) that pertains to a military or foreign affairs function of the United States, other than procurement regulations and regulations involving the import or export of nondefense articles and services;

''(iii) on regulations that are limited to the organization, management, or personnel matters of a Federal agency; or

''(iv) belonging to a category of guidance documents exempted by the Administrator of the Office of Information and Regulatory Affairs.

''(7) The term 'submission or publication date', except as otherwise provided in this chapter, means—

''(A) in the case of a major rule, the date on which the Congress receives the report submitted under section 801(a)(1); and

''(B) in the case of a nonmajor rule, the later of—

''(i) the date on which the Congress receives the report submitted under section 801(a)(1); and

''(ii) the date on which the nonmajor rule is published in the Federal Register, if so published.

''§ 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 be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule, shall not extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule, and shall not 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. Affirmative defense

''It shall be an affirmative defense against an alleged violation of a rule for a defendant in any administrative proceeding of a Federal agency, or before a court of the United States, if an individual of ordinary intelligence could not anticipate from the statutory language of a provision of law purported to form the basis for the rule in question that the conduct of the individual would be unlawful.

''§ 807. Private right of action

''(a) A person aggrieved by the failure of a Federal agency to comply with the requirements under this chapter may bring a civil action in an appropriate district court of the United States for injunctive relief before the date on which the final rule in question takes effect.

''(b)(1) A person that can demonstrate potential injury from a final rule before or after the final rule takes effect may bring a civil action in an appropriate district court of the United States to challenge the determination of the Federal agency that the rule is not a major rule under section 801(a)(1)(A)(iii).

''(2) In a civil action brought under paragraph (1), the court may—

''(A) invalidate the final rule in question; or

''(B) determine that the final rule in question is a major rule and require the Federal agency to comply with the requirements under this chapter applicable to major rules, including congressional approval under section 802.

''§ 808. 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.

''§ 809. Exemption for deregulatory actions

''Sections 802 and 803 shall not apply to a rule identified as a deregulatory action in the Unified Agenda and Annual Regulatory Plan under section 811.

''§ 810. 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 a Federal 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.

''§ 811. Regulatory planning and budget

''(a) In this section:

''(1) The term 'costs' means opportunity cost to society.

''(2) The term 'cost savings' means the cost imposed by a regulatory action that is eliminated by the repeal, replacement, or modification of such regulatory action.

''(3) The term 'deregulatory action' means the repeal, replacement, or modification of an existing regulatory action.

''(4) The term 'Director' means the Director of the Office of Management and Budget.

''(5) The term 'incremental regulatory cost' means the difference between the estimated cost of issuing a significant regulatory action and the estimated cost saved by issuing any deregulatory action.

''(6) The term 'regulation' or 'rule' has the meaning given the term 'rule' in section 804.

''(7) The term 'regulatory action' means—

''(A) any regulation; and

''(B) any other regulatory guidance, statement of policy, information collection request, form, or reporting, recordkeeping, or disclosure requirements that imposes a burden on the public or governs Federal agency operations.

''(8) The term 'significant regulatory action' means any regulatory action, other than monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee, that is likely to—

''(A) have an annual effect on the economy of $100,000,000 or more or 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;

''(B) create a serious inconsistency or otherwise interfere with an action taken or planned by another Federal agency;

''(C) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

''(D) raise a novel legal or policy issue.

''(9) The term 'State' means each of the several States, the District of Columbia, and each territory or possession of the United States.

''(b)(1) During the months of April and October of each year, the Director shall publish a unified regulatory agenda, which shall include—

''(A) regulatory and deregulatory actions under development or review at agencies;

''(B) a Federal regulatory plan of all significant regulatory actions and associated deregulatory actions that agencies reasonably expect to issue in proposed or final form in the current and following fiscal year; and

''(C) all information required to be included in the regulatory flexibility agenda under section 602 of this title.

''(2) In accordance with guidance issued by the Director and not less than 60 days before each date of publication for the unified regulatory agenda under paragraph (1), the head of each Federal agency shall submit to the Director an agenda of all regulatory actions and deregulatory actions under development at the Federal agency, including the following:

''(A) For each regulatory action and deregulatory action:

''(i) A regulation identifier number.

''(ii) A brief summary of the action.

''(iii) The legal authority for the action.

''(iv) Any legal deadline for the action.

''(v) The name and contact information for a knowledgeable Federal agency official.

''(vi) Any other information as required by the Director.

''(B) An annual regulatory plan, which shall include a list of each significant regulatory action the Federal agency reasonably expects to issue in proposed or final form in the current and following fiscal year, including for each significant regulatory action:

''(i) A summary, including the following:

''(I) A statement of the regulatory objectives.

''(II) The legal authority for the action.

''(III) A statement of the need for the action.

''(IV) The Federal agency's schedule for the action.

''(ii) The estimated cost.

''(iii) The estimated benefits.

''(iv) Any deregulatory action identified.

''(v) A best approximation of the total cost or savings and any cost or savings associated with a deregulatory action.

''(vi) An estimate of the economic effects, including any estimate of the net effect that such action will have on the number of jobs in the United States, that was considered in drafting the action, or, if such estimate is not available, a statement affirming that no information on the economic effects, including the effect on the number of jobs, of the action has been considered.

''(C) Information required under section 602 of this title.

''(D) Information required under any other law to be reported by agencies about significant regulatory actions, as determined by the Director.

''(c)(1) In the April unified regulatory agenda described in subsection (b), the Director—

''(A) shall establish the annual Federal Regulatory Budget, which specifies the net amount of incremental regulatory costs allowed by the Federal Government and at each Federal agency for the next fiscal year; and

''(B) may set the incremental regulatory cost allowance to allow an increase, prohibit an increase, or require a decrease of incremental regulatory costs.

''(2) If the Director does not set a net amount of incremental regulatory costs allowed for a Federal agency, the net incremental regulatory cost allowed shall be zero.

''(d) Except as otherwise required by law, a significant regulatory action shall have no effect unless—

''(1) the—

''(A) head of the Federal agency identifies at least 1 deregulatory action to offset the costs of the significant regulatory action and issues the deregulatory action before or on the same schedule as the significant regulatory action;

''(B) incremental costs of the significant regulatory action as offset by any deregulatory action issued before or on the same schedule as the significant regulatory action do not cause the Federal agency to exceed or contribute to the Federal agency exceeding the incremental regulatory cost allowance of the Federal agency for that fiscal year; and

''(C) significant regulatory action was included on the most recent version or update of the published unified regulatory agenda; or

''(2) the issuance of the significant regulatory action was approved in advance in writing by the Director and the written approval is publicly available online prior to the issuance of the significant regulatory action.

''(e)(1) Not later than 90 days after the date of the enactment of this section, the Director shall establish and issue guidance on how agencies should comply with the requirements of this section. Such guidance shall include the following:

''(A) A process for standardizing the measurement and estimation of regulatory costs, including cost savings associated with deregulatory actions.

''(B) Standards for determining what qualifies as a deregulatory action.

''(C) Standards for determining the costs of existing regulatory actions that are considered for repeal, replacement, or modification.

''(D) Standards by which the Director will determine whether a regulatory action or a collection of regulatory actions qualifies as a significant regulatory action.

''(2) The Director shall update the guidance issued pursuant to this subsection as necessary.

''§ 812. Publication of guidance documents on the internet

''(a) In this section, the term 'Director' means the Director of the Office of Management and Budget.

''(b) Subject to subsection (e), on the date on which a Federal agency issues a guidance document, the Federal agency shall publish the guidance document in accordance with the requirements under subsection (d).

''(c) Subject to subsection (e), not later than 180 days after the date of enactment of this section, each Federal agency shall publish, in accordance with the requirements under subsection (c), any guidance document issued by that Federal agency that is in effect on that date.

''(d)(1) All guidance documents published under subsections (b) and (c) by a Federal agency shall be published in a single location on an internet website designated by the Director under paragraph (4).

''(2) Each Federal agency shall, for guidance documents published by the Federal agency under subsections (b) and (c), publish a hyperlink on the internet website of the Federal agency that provides access to the guidance documents at the location described in paragraph (1).

''(3)(A) The guidance documents described in paragraph (1) shall be—

''(i) categorized as guidance documents; and

''(ii) further divided into subcategories as appropriate.

''(B) The hyperlinks described in paragraph (2) shall be prominently displayed on the internet website of the Federal agency.

''(4) Not later than 90 days after the date of enactment of this section, the Director shall designate an internet website on which guidance documents shall be published under subsections (b) and (c).

''(e) If a guidance document issued by a Federal agency is a document that is exempt from disclosure under section 552(b) of this title (commonly known as the 'Freedom of Information Act'), or contains information that is exempt from disclosure under that section, that document or information, as the case may be, shall not be subject to the requirements under this section.

''(f) On the date on which a guidance document issued by a Federal agency is rescinded, or, in the case of a guidance document that is rescinded pursuant to a court order, not later than the date on which the order is entered, the Federal agency shall, at the location described in subsection (d)(1)—

''(1) maintain the rescinded guidance document; and

''(2) indicate—

''(A) that the guidance document is rescinded;

''(B) if the guidance document was rescinded pursuant to a court order, the case number of the case in which the order was entered; and

''(C) the date on which the guidance document was rescinded.

''§ 813. Expiration of rules

''(a)(1) Except as provided in this section, each major rule made by a Federal agency shall cease to have effect—

''(A) beginning on the date that is 10 years after the date of enactment of a joint resolution described in subsection (d) with regard to the rule; or

''(B) if a joint resolution of extension described in subsection (d) has been enacted with regard to the rule, beginning on the date that is 10 years after the date of enactment of the most recently enacted such joint resolution.

''(2) The rule may not be reissued in substantially the same form, and a new rule that is substantially the same as such a rule may not be issued, unless the reissued or new rule is specifically authorized by a law enacted after the date described in this subsection (a).

''(b) Not later than 180 days before the date described in subsection (a), the Federal agency shall submit a report similar to the report described in 801(a)(1)(A) to each House of Congress and to the Comptroller General, except that instead of the proposed effective date, such report shall contain the date described in subsection (a).

''(c) The President may by Executive order exempt not more than 1 rule during each Congress from the application of subsection (a) for a period of not more than 30 days if the President determines, and submits to Congress written notice of such determination, that such rule is—

''(1) necessary because of an imminent threat to health or safety or other emergency;

''(2) necessary for the enforcement of criminal laws;

''(3) necessary for national security; or

''(4) issued pursuant to any statute implementing an international trade agreement.

''(d)(1) For purposes of this section, the term 'joint resolution' means only a joint resolution introduced on or after the date on which the report referred to subsection (b) is received by Congress (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 extends the rule submitted by the ____ relating to ____.'' (The blank spaces being appropriately filled in). The following shall apply to such a joint resolution:

''(A) In the House, the majority leader of the House of Representatives (or his designee) and the minority leader of the House of Representatives (or his designee) shall introduce such joint resolution (by request), within 3 legislative days after Congress receives the report submitted under subsection (b).

''(B) In the Senate, the majority leader of the Senate (or his designee) and the minority leader of the Senate (or his designee) shall introduce such joint resolution described in subsection (a) (by request), within 3 session days after Congress receives the report submitted under subsection (b).

''(2) Subsections (b) through (g) of section 802 shall apply to a joint resolution described in paragraph (1) of this subsection in the same manner as a joint resolution described in subsection (a) of section 802, except that for purposes of that subsection, the term 'submission date' means the date on which the Congress receives the report submitted under subsection (b).

''§ 814. Review of rules in effect

''(a) Beginning on the date that is 6 months after the date of enactment of this section and annually thereafter for the 9 years following, each Federal agency shall designate not less than 10 percent of eligible rules made by that Federal agency for review, and shall submit a report including each such eligible rule in the same manner as a report under section 801(a)(1). Section 801 and section 802 shall apply to each such rule, subject to subsection (c) of this section. No eligible rule previously designated may be designated again.

''(b) Beginning after the date that is 10 years after the date of enactment of this section, if Congress has not enacted a joint resolution of approval for that eligible rule, that eligible rule shall not continue in effect.

''(c) In applying sections 801 and 802 to eligible rules under this section, the following shall apply:

''(1) The words 'take effect' shall be read as 'continue in effect'.

''(2) Except as provided in paragraph (3), a single joint resolution of approval shall apply to all eligible rules in a report designated for a year, and the matter after the resolving clause of that joint resolution is as follows: ''That Congress approves the rules submitted by the ____ for the year ____.'' (The blank spaces being appropriately filled in).

''(3) It shall be in order to consider any amendment that provides for specific conditions on which the approval of a particular eligible rule included in the joint resolution is contingent.

''(4) A Member of either House may move that a separate joint resolution be required for a specified rule.

''(d) In this section, the term 'eligible rule' means a major rule that is in effect as of the date of enactment of this section.''.

(d) 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 new subparagraph:

''(E) BUDGETARY EFFECTS OF RULES SUBJECT TO SECTION 802 OF TITLE 5, UNITED STATES CODE.—Any rule subject to the congressional approval procedure set forth in section 802 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.''.

(e) GOVERNMENT ACCOUNTABILITY OFFICE STUDY OF RULES.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study to determine, as of the date of enactment of this Act—

(A) how many rules (as such term is defined in section 804 of title 5, United States Code) were in effect;

(B) how many major rules (as such term is defined in section 804 of title 5, United States Code) were in effect; and

(C) the total estimated economic cost imposed by all such rules.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that contains the findings of the study conducted under paragraph (1).

(f) DEFINITION OF ''RULE'' TO INCLUDE SIGNIFICANT GUIDANCE.—Section 551(4) of title 5, United States Code, is amended by inserting before the semicolon at the end the following: '', as well as significant guidance (as such term is defined in section 804).''.

SA 2725. Mr. WELCH submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CYBERSECURITY FUNDING FOR ESSENTIAL RURAL UTILITIES.

In addition to amounts otherwise available, there is appropriated to the Secretary of Agriculture for each of fiscal years 2025 through 2031, out of amounts in the Treasury not otherwise appropriated, $30,000,000, to remain available until expended, to conduct a risk assessment of cybersecurity-related threats to a rural utility entity eligible for grants or loans under the Rural Electrification Act of 1936 or the Consolidated Farm and Rural Development Act and to provide technical assistance to such an entity to enhance cybersecurity protections.

SA 2726. Mr. KING submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 90103 and insert the following:

SEC. 90103. APPROPRIATION FOR THE GOVERNMENT ACCOUNTABILITY OFFICE.

In addition to amounts otherwise available, there is appropriated to the Government Accountability Office for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $100,000,000, to remain available until September 30, 2029, for purposes of finding budget and accounting efficiencies in the executive branch.

SA 2727. Mr. KAINE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71111.

SA 2728. Mr. KAINE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 663, strike line 16, and all that follows through page 672, line 5.

SA 2729. Mr. HEINRICH (for himself and Mr. HICKENLOOPER) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50403(a), strike paragraph (6) and insert the following:

(6) by adding at the end the following:

''(f) CURRENT APPLICANTS.—

''(1) IN GENERAL.—The Secretary shall, to the extent applicable, use all administrative flexibilities to ensure current applicants for loan guarantees are considered under this section.

''(2) NO REAPPLICATION.—Nothing in the amendments made to this section by section 50403 of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress) (including any new regulatory proceedings or program guidance as a result thereof) shall require applicants that have submitted applications under this section as of the date of that Act to re-apply.

''(g) FUNDING.—

''(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $1,000,000,000, to remain available through September 30, 2028, to carry out activities under this section.

''(2) ADMINISTRATIVE COSTS.—Of the amount made available under paragraph (1), the Secretary shall use not more than 3 percent for administrative expenses.''.

SA 2730. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50403(a), strike paragraph (6) and insert the following:

(6) by adding at the end the following:

''(f) FUNDING.—

''(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $1,000,000,000, to remain available through September 30, 2028, to carry out activities under this section, of which $100,000,000 shall be made available for the Tribal energy loan guarantee program under section 2602(c) of the Energy Policy Act of 1992 (25 U.S.C. 3502(c)).

''(2) ADMINISTRATIVE COSTS.—Of the amount made available under paragraph (1), the Secretary shall use not more than 3 percent for administrative expenses.''.

SA 2731. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50101(a)(1), strike ''Subsection (a) of'' and insert ''Subject to paragraph (3), subsection (a) of''.

In section 50101(a), add at the end the following:

(3) EXCEPTION.—Notwithstanding the amendments made by paragraph (1), during any month in which the average price of Brent crude oil exceeds $67.80 per barrel—

(A) the applicable royalty rate for leases issued pursuant to section 17 of the Mineral Leasing Act (30 U.S.C. 226) shall be not less than 16⅔ percent; and

(B) the applicable royalty rate for reinstated leases issued pursuant to section 31 of the Mineral Leasing Act (30 U.S.C. 188) shall be not less than 20 percent.

SA 2732. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50501, strike the following: ''That, for the purposes of section 203 of the Reclamation Reform Act of 1982 (43 U.S.C. 390cc) or section 3404(a) of the Reclamation Projects Authorization and Adjustment Act of 1992 (Public Law 102–575; 106 Stat. 4708), a contract or agreement entered into pursuant to this section shall not be treated as a new or amended contract: *Provided further*,''.

SA 2733. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50101(b), strike paragraph (3) and insert the following:

(3) LEASE OF OIL AND GAS LANDS.—Section 17(b)(1)(A) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)(A)), as amended by subsection (a), is amended by inserting ''For purposes of the previous sentence, the term 'eligible lands' means all lands that are subject to leasing under this Act and are not excluded from leasing by a statutory prohibition, and the term 'available', with respect to eligible lands, means those lands that have been designated as open for leasing under a land use plan developed under section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) and that have been nominated for leasing through the submission of an expression of interest, are subject to drainage in the absence of leasing, or are otherwise designated as available pursuant to regulations adopted by the Secretary, except that the terms 'eligible lands' and 'available' shall not include any Federal land nominated or otherwise under consideration for leasing in a quarterly lease sale if consultation with Tribes over the leasing of that land, as applicable, has not concluded in a manner consistent with applicable authorities and if Federal, State, or local elected officials or agencies, or Tribes, have filed a protest over the leasing of that land and the Secretary has not, in consultation with the protesting party or parties, made a good faith effort to resolve the issues identified in the protest, including issues with decisions from the applicable land use plan.'' after ''sales are necessary.''.

SA 2734. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70514 and insert the following:

SEC. 70514. PHASE-OUT AND RESTRICTIONS ON ADVANCED MANUFACTURING PRODUCTION CREDIT.

(a) MODIFICATION OF PROVISION RELATING TO SALE OF INTEGRATED COMPONENTS.—Paragraph (4) of section 45X(d) is amended to read as follows:

''(4) SALE OF INTEGRATED COMPONENTS.—

''(A) IN GENERAL.—For purposes of this section, a person shall be treated as having sold an eligible component to an unrelated person if—

''(i) such component (referred to in this paragraph as the 'primary component') is integrated, incorporated, or assembled into another eligible component (referred to in this paragraph as the 'secondary component') produced within the same manufacturing facility as the primary component, and

''(ii) the secondary component is sold to an unrelated person.

''(B) ADDITIONAL REQUIREMENTS.—Subparagraph (A) shall only apply with respect to a secondary component for which not less than 65 percent of the total direct material costs which are paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer to produce such secondary component are attributable to primary components which are mined, produced, or manufactured in the United States.''.

(b) PHASE OUT AND TERMINATION.—Section 45X(b)(3) is amended—

(1) in the heading, by inserting ''AND TERMINATION'' after ''PHASE OUT'',

(2) in subparagraph (A), in the matter preceding clause (i), by striking ''subparagraph (C)'' and inserting ''subparagraphs (C) and (D)'', and

(3) by striking subparagraph (C) and inserting the following:

''(C) PHASE OUT FOR APPLICABLE CRITICAL MINERALS.—

''(i) IN GENERAL.—In the case of any applicable critical mineral produced after December 31, 2030, the amount determined under this subsection with respect to such mineral shall be equal to the product of—

''(I) the amount determined under paragraph (1) with respect to such mineral, as determined without regard to this subparagraph, multiplied by

''(II) the phase out percentage under clause (ii).

''(ii) PHASE OUT PERCENTAGE FOR APPLICABLE CRITICAL MINERALS.—The phase out percentage under this clause is equal to—

''(I) in the case of any applicable critical mineral produced during calendar year 2031, 75 percent,

''(II) in the case of any applicable critical mineral produced during calendar year 2032, 50 percent,

''(III) in the case of any applicable critical mineral produced during calendar year 2033, 25 percent, and

''(IV) in the case of any applicable critical mineral produced after December 31, 2033, 0 percent.

''(D) TERMINATION FOR WIND ENERGY COMPONENTS.—This section shall not apply to any wind energy component produced and sold after December 31, 2027.''.

(c) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45X is amended—

(1) in subsection (c)(1), by adding at the end the following new subparagraph:

''(C) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—In the case of taxable years beginning after the date of enactment of this subparagraph, the term 'eligible component' shall not include any property which includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52), as applied by substituting 'used in a product sold before January 1, 2027' for 'used in a product sold before January 1, 2030' in subparagraph (D)(iii)(V)(bb) thereof).'', and

(2) in subsection (d), as amended by subsection (a) of this section, by adding at the end the following new paragraph:

''(4) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to an eligible component described in subsection (c)(1).''.

(d) MODIFICATION OF DEFINITION OF BATTERY MODULE.—Section 45X(c)(5)(B)(iii) is amended—

(1) in subclause (I)(bb), by striking ''and'' at the end,

(2) in subclause (II), by striking the period at the end and inserting '', and'', and

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

''(III) which is comprised of all other essential equipment needed for battery functionality, such as current collector assemblies and voltage sense harnesses, thermal collection assemblies, or other essential energy collection equipment.''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) MODIFICATION OF PROVISION RELATING TO SALE OF INTEGRATED COMPONENTS.—The amendment made by subsection (a) shall apply to components sold during taxable years beginning after December 31, 2026.

SA 2735. Mr. HEINRICH (for himself and Ms. HIRONO) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 50402.

SA 2736. Mr. HEINRICH (for himself and Ms. HIRONO) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 50403.

SA 2737. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50402(b)(2), strike subparagraph (C) and redesignate subparagraphs (D) through (H) as subparagraphs (C) through (G), respectively.

SA 2738. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50403(a), strike paragraphs (4) through (6) and insert the following:

(4) in subsection (c) (as so redesignated)—

(5) in subsection (e) (as so redesignated), by striking ''for—'' in the matter preceding paragraph (1) and all that follows through the period at the end of paragraph (2) and inserting ''for enabling the identification, leasing, development, production, processing, transportation, transmission, refining, and generation needed for energy and critical minerals.''.

SA 2739. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50404, strike subsection (b) and insert the following:

(2) initiate seed efforts for self-improving artificial intelligence models for science and engineering powered by the data described in paragraph (1); and

(3) construct an integrated research infrastructure that seamlessly integrates scientific user facilities, computational resources, and cloud computing technologies to facilitate and support the development of the data curation described in paragraph (1) and the model development described in paragraph (2).

SA 2740. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 50105.

SA 2741. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REPEAL OF SECTION 50265 OF THE INFLATION REDUCTION ACT.

Section 50265 of Public Law 117–169 (commonly known as the ''Inflation Reduction Act of 2022'') (43 U.S.C. 3006) is repealed.

SA 2742. Mr. KAINE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 1 and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Hurt People, Kill Jobs, and Spike the Debt to Reward the Rich Act''.

SA 2743. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of section 100051, add the following:

(13) DACA APPLICATIONS.—Processing applications for deferred action pursuant to the final rule of the Department of Homeland Security entitled ''Deferred Action for Childhood Arrivals'' (87 Fed. Reg. 53152 (August 30, 2022)).

(14) LIMITATION.—None of the funds appropriated under this section may be expended to remove an alien who appears to be prima facie eligible for relief pursuant ''Deferred Action for Childhood Arrivals'' (87 Fed. Reg. 53152 (August 30, 2022)), unless such alien has been convicted of any of the following offenses (excluding any offense for which an essential element is the alien's immigration status, any offense involving civil disobedience without violence, and any minor traffic offense):

(A) A felony offense.

(B) A significant misdemeanor offense.

(C) 3 misdemeanor offenses not arising out of the same act of misconduct.

At the end of section 100052, add the following:

(12) LIMITATION.—None of the funds appropriated under this section may be expended to remove an alien who appears to be prima facie eligible for relief pursuant ''Deferred Action for Childhood Arrivals'' (87 Fed. Reg. 53152 (August 30, 2022)), unless such alien has been convicted of any of the following offenses (excluding any offense for which an essential element is the alien's immigration status, any offense involving civil disobedience without violence, and any minor traffic offense):

(A) A felony offense.

(B) A significant misdemeanor offense.

(C) 3 misdemeanor offenses not arising out of the same act of misconduct.

SA 2744. Mr. WYDEN (for himself and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50301(a)(2)(A), strike ''For each'' and insert ''Subject to applicable law (including regulations in effect on the date of enactment of this Act), for each''.

In section 50301(a)(3), strike subparagraph (C).

In section 50301(b)(2)(A), strike ''For each'' and insert ''Subject to applicable law (including regulations in effect on the date of enactment of this Act), for each''.

In section 50301(b)(3), strike subparagraph (C).

In section 50401(b)(2), strike ''$171,000,000'' and insert ''$66,000,000''.

In section 50501, strike ''$1,000,000,000'' and insert ''$743,000,000''.

SA 2745. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. _____. TERMINATION FOR WIND AND SOLAR FACILITIES.

(a) CLEAN ELECTRICITY PRODUCTION CREDIT.—Section 45Y(d)(4)(A), as added by this Act, is amended to read as follows:

''(A) IN GENERAL.—This section shall not apply with respect to any applicable facility which—

''(i) begins construction after the date which is 60 days after the date of the enactment of this paragraph, or

''(ii) is placed in service after December 31, 2027.''.

(b) CLEAN ELECTRICITY INVESTMENT CREDIT.—Section 48E(e)(4)(A), as added by this Act, is amended to read as follows:

''(A) IN GENERAL.—This section shall not apply to any qualified property—

''(i) which is part of an applicable facility, and

''(ii) which—

''(I) begins construction after the date which is 60 days after the date of the enactment of this paragraph, or

''(II) is placed in service after December 31, 2027.''.

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

SA 2746. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. _____. TERMINATION OF BONUS CREDITS.

(a) CLEAN ELECTRICITY PRODUCTION CREDIT.—

(1) INCREASE IN CREDIT IN ENERGY COMMUNITIES.—Section 45Y(g)(7) is amended by adding at the end the following: ''The preceding sentence shall not apply with respect to facilities which begin construction after the date of the enactment of paragraph (13).''.

(2) DOMESTIC CONTENT BONUS CREDIT AMOUNT.—

(A) IN GENERAL.—Section 45Y(g)(11)(A) is amended by inserting ''which begins construction on or before the date of the enactment of paragraph (13) and'' before ''which satisfies''.

(B) CONFORMING AMENDMENTS.—

(i) Section 45Y(g)(11)(C)(i) is amended—

(I) by adding ''and'' at the end of subclause (I),

(II) by striking ''before January 1, 2026'' in subclause (II) and inserting ''on or before the date of the enactment of paragraph (13)'',

(III) by striking the comma at the end of subclause (II) and inserting a period, and

(IV) by striking subclauses (III) and (IV).

(ii) Section 45Y(g)(11)(C)(ii) is amended—

(I) by adding ''and'' at the end of subclause (I),

(II) by striking ''before January 1, 2026'' in subclause (II) and inserting ''on or before the date of the enactment of paragraph (13)'',

(III) by striking the comma at the end of subclause (II) and inserting a period, and

(IV) by striking subclauses (III), (IV), and (V).

(3) WAGE AND APPRENTICESHIP REQUIREMENTS.—Section 45Y(a)(2)(B)(iii) is amended by inserting ''in the case of a qualified facility which begins construction on or before the date of the enactment of paragraph (13) of subsection (g),'' before ''which''.

(b) CLEAN ELECTRICITY INVESTMENT CREDIT.—

(1) ENERGY COMMUNITIES.—Section 48E(a)(3)(A)(i) is amended by adding at the end the following: ''The preceding sentence shall not apply with respect to facilities which begin construction after the date of the enactment of paragraph (6) of subsection (d).''.

(2) DOMESTIC CONTENT.—Section 48E(a)(3)(B) is amended by inserting ''in the case of facilities which begin construction on or before the date of the enactment of paragraph (6) of subsection (d)'' before the period.

(3) WAGE AND APPRENTICESHIP REQUIREMENTS.—Section 48E(a)(2)(A)(ii)(III) is amended by inserting ''in the case of a qualified facility which begins construction on or before the date of the enactment of paragraph (13) of subsection (g),'' before ''which''.

(4) APPLICABLE PERCENTAGE FOR NEW FACILITIES.—Section 48E(a) is amended by adding at the end the following new paragraph:

''(4) SPECIAL RULE FOR CERTAIN FACILITIES.—Notwithstanding paragraphs (2) and (3), in the case of any facility which begins construction after the date of the enactment of this paragraph, the applicable percentage shall not exceed 10 percent.''.

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

SA 2747. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. 705____. ADDITIONAL PROVISIONS RELATING TO ADVANCED MANUFACTURING PRODUCTION CREDIT.

(a) IN GENERAL.—Section 45X(b)(3), as amended by the preceding provisions of this Act, is amended by striking subparagraphs (B) through (E) and inserting the following:

''(B) PHASE OUT PERCENTAGE.—The phase out percentage (which shall not be less than zero) under this subparagraph is equal to—

''(i) in the case of an eligible component produced during calendar year 2025, 75 percent, and

''(ii) for any eligible component produced during calendar year 2026 or any subsequent calendar year, the phase out percentage for the preceding calendar year reduced by 10 percentage points.

''(C) ROUNDING.—Any credit amount reduced under this paragraph shall be rounded to the nearest cent.

''(D) PUBLICATION.—The Secretary shall annually publish the credit amount determined under this subsection after the application of this paragraph.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to eligible components produced after December 31, 2024.

SA 2748. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. _____. TERMINATION OF ADVANCED MANUFACTURING PRODUCTION CREDIT.

Section 45X is amended by adding at the end the following new subsection:

''(e) TERMINATION.—This section shall not apply to any eligible component produced at a facility which is placed in service after December 31, 2027.''.

SA 2749. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. 705____. ADDITIONAL PROVISIONS RELATING TO ENERGY CREDITS.

(a) TERMINATION OF CLEAN HYDROGEN PRODUCTION CREDIT.—Section 45V(c)(3)(C), as amended by the preceding provisions of this Act, is amended to read as follows:

''(C) which is placed in service before January 1, 2028.''.

(b) TERMINATION OF CARBON OXIDE SEQUESTRATION CREDIT.—Section 45Q is amended by adding at the end the following new subsection:

''(j) TERMINATION.—This section shall not apply with respect to any carbon capture equipment placed in service after December 31, 2027.''.

SA 2750. Mr. MURPHY (for himself, Ms. SMITH, Ms. WARREN, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71117 and insert the following:

SEC. 71117. ADJUSTMENT TO CORPORATE TAX RATE.

(a) REPEAL.—Section 71119 of this Act is repealed, and the Social Security Act shall be applied as if the amendments made by such section had not been enacted.

(b) ADJUSTMENT.—

(1) IN GENERAL.—Section 11(b) is amended by striking ''21 percent'' and inserting ''22.7 percent''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2025.

SA 2751. Mr. MURPHY (for himself, Ms. SMITH, Ms. WARREN, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike sections 71101 and 71102 and insert the following:

SEC. 71101. ADJUSTMENT TO CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended by striking ''21 percent'' and inserting ''22.3 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2752. Mr. WARNOCK (for himself, Ms. BALDWIN, and Mr. OSSOFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71116.

SA 2753. Mr. WARNOCK submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71121.

SA 2754. Mr. KELLY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50101, strike subsection (a).

In section 50101, strike '', as amended by subsection (a),'' each place it appears.

In section 50101, redesignate subsections (b) through (d) as subsections (a) through (c), respectively.

In section 50102(b)(1), strike subparagraph (C).

In section 50102(b)(1)(A), strike '', subject to subparagraph (C),''.

In section 50102(b)(1)(A), insert ''and'' after the semicolon at the end.

In section 50102(b)(1)(B), strike ''; and'' and insert a period.

In section 50102, strike subsection (d).

In section 50102, redesignate subsection (e) as subsection (d).

Strike section 50103.

SA 2755. Mr. SCHIFF (for himself, Mr. MURPHY, Ms. SMITH, and Ms. WARREN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II

of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71118 and insert the following:

SEC. 71118. ADJUSTMENT TO CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended by striking ''21 percent'' and inserting ''22.1 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2756. Mr. HEINRICH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 60102 of division F of Public Law 117–58 (47 U.S.C. 1702), as amended by section 40012, strike subsections (p) and (q).

SA 2757. Mr. WELCH (for himself and Mr. DURBIN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 910, line 18, strike ''$3,330,000,000'' and insert ''$3,214,300,000''.

At the appropriate place, insert the following:

SEC. _____. APPROPRIATION FOR DEFENDER SERVICES.

In addition to amounts otherwise available, there is appropriated for the operation of Federal Defender organizations for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $115,700,000, to remain available until expended.

SA 2758. Mr. WELCH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 919, strike lines 20 through 23 and insert the following:

(c) FACILITIES.—Of the amounts made available under subsection (a)—

(1) not less than $100,000,000 shall be for facility improvements for residential reentry centers; and

(2) not more than $2,000,000,000 shall be for addressing maintenance and repairs to facilities maintained or operated by the Bureau of Prisons, including any amounts used for residential reentry centers, as described in paragraph (1).

SA 2759. Mr. SCOTT of South Carolina (for himself and Mr. TILLIS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

SEC. _____. ELIGIBILITY THRESHOLD FOR OPPORTUNITY ZONES.

(a) IN GENERAL.—Section 1400Z-1(c)(1)(A), as amended by this Act, is amended by striking ''70 percent'' both places it appears and inserting ''80 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to areas designated under section 1400Z-1 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

SEC. _____. TREATMENT OF CERTAIN EXCESS PLAN ASSETS.

(a) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

(1) IN GENERAL.—Section 420 is amended by adding at the end the following new subsection:

''(h) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

''(1) IN GENERAL.—In the case of a pension plan with excess health assets for a fiscal year—

''(A) an amount equal to such excess health assets may be transferred in accordance with paragraph (3) from a health benefits account established under section 401(h),

''(B) a trust which is part of such plan shall not be treated as failing to meet the requirements of subsection (a) or (h) of section 401 solely by reason of such transfer (or any other action authorized under this subsection),

''(C) no amount shall be includible in the gross income of the employer maintaining the plan solely by reason of such transfer,

''(D) such transfer shall not be treated—

''(i) as an employer reversion for purposes of section 4980, or

''(ii) as a prohibited transaction for purposes of section 4975, and

''(E) the limitations of paragraph (4) shall apply to the employer.

''(2) EXCESS HEALTH ASSETS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'excess health assets' means the amount by which the applicable assets with respect to a retiree health plan exceed an amount equal to 125 percent of the total liability of the employer for benefits for all participants under the retiree health plan, determined in accordance with applicable accounting standards.

''(B) LIMITATION.—In determining excess health assets, there shall not be taken into account—

''(i) amounts attributable to contributions (other than transfers under any other subsection of this section, or contributions made pursuant to a legally binding commitment entered into before January 1, 2024) made after December 31, 2023, to any health benefits account established under section 401(h) with respect to the retiree health plan, or

''(ii) any reduction in the liability of the employer described in subparagraph (A) due to a reduction in benefits pursuant to an amendment to the retiree health plan adopted after December 31, 2023.

''(C) TERMINATING PLANS.—In the case of a terminating pension plan which includes a health benefits account under section 401(h), all assets in such health benefits account shall be treated as excess health assets.

''(D) APPLICABLE ASSETS.—For purposes of subparagraph (A), the term 'applicable assets' means all assets with respect to a retiree health benefits plan of an employer—

''(i) in a health benefits account established under section 401(h), or

''(ii) held by a voluntary employees' beneficiary association (as defined in section 501(c)(9)).

''(3) TRANSFERS PERMITTED.—

''(A) IN GENERAL.—A transfer under this paragraph is a transfer—

''(i) of excess health assets, in the fiscal year immediately succeeding the fiscal year with respect to which such excess health assets are determined—

''(I) to the pension plan under which a health benefits account pursuant to section 401(h) was established, or

''(II) as provided in subparagraph (B)(ii), to a voluntary employees' beneficiary association (as defined in section 501(c)(9)),

''(ii) which does not contravene any other provision of law,

''(iii) with respect to which the use requirements of subparagraphs (B) and (C) and the minimum cost and benefit requirements of paragraph (4)(B) are met, and

''(iv) with respect to which the vesting requirements of subsection (c)(2) are met (determined by treating such transfer as a qualified transfer).

''(B) USE FOR ACTIVE BENEFITS.—

''(i) IN GENERAL.—Except as provided in clause (ii), a transfer of excess health assets for purposes of this subsection shall be used only to fund the pension plan.

''(ii) TRANSFER TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION.—A transfer described in subparagraph (A)(i)(II) may be made only—

''(I) in the case of a defined benefit plan, to the extent a transfer to such plan as provided in subparagraph (A)(i)(I) would cause the plan to have a funding excess or increase the funding excess of the plan or, if the transfer is made in connection with the termination of the defined benefit plan, to the extent a transfer to such plan would exceed the amount necessary to satisfy the pension liabilities of the terminating plan, or

''(II) in the case of a pension plan which is not a defined benefit plan.

Any transfer under the preceding sentence to a voluntary employees' benefit association (as defined in section 501(c)(9)) shall be used only to pay any benefits permitted to be paid by such association to any members of such association (other than key employees not taken into account under subsection (e)(1)(E)).

''(iii) FUNDING EXCESS.—For purposes of clause (ii), the term 'funding excess' with respect to a plan year means the excess, if any, of—

''(I) the fair market value of the assets of the defined benefit plan (other than applicable assets, as defined in paragraph (2)(D)), over

''(II) 110 percent of the present value of all pension benefits earned or accrued under the plan, as determined for purposes of determining the adjusted funding target attainment percentage pursuant to section 436(j).

''(C) ONLY 1 TRANSFER PER YEAR.—No more than 1 transfer with respect to any plan may be made under subparagraph (A) during a taxable year. For purposes of the preceding sentence, any transfer portions of which are described in both subclauses (I) and (II) of subparagraph (A)(i) shall be treated as 1 transfer.

''(4) LIMITATIONS ON EMPLOYER.—

''(A) DEDUCTION LIMITATIONS.—For purposes of this title, no deduction shall be allowed—

''(i) for the transfer of any amount under paragraph (3)(A),

''(ii) for benefits paid out of the assets (and income) so transferred, or

''(iii) for any amounts to which clause (ii) does not apply and which are paid for benefits described in paragraph (3)(B)(ii) for the taxable year to the extent such amounts are not greater than the excess (if any) of—

''(I) the amount determined under clause (i) (and income allocable thereto), over

''(II) the amount determined under clause (ii).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—Each plan or arrangement under which benefits funded as described in paragraph (3)(B)(ii) are provided shall provide that—

''(i) the applicable employer cost for each of the 5 taxable years beginning with the year of the transfer under paragraph (3)(A) shall not be materially less than the higher of the applicable employer costs for the year of the 2 taxable years immediately preceding the taxable year of such transfer, or

''(ii) benefits provided under the plan or arrangement shall not be materially reduced during the 5 year period described in clause (i).

For purposes of clause (i), the term 'applicable employer cost' shall be determined under rules similar to the rules of subparagraphs (B) and (C) of subsection (c)(3), as applicable to the benefit being provided under such plan or arrangement.

''(5) COORDINATION WITH SECTIONS 430 AND 433.—In the case of any assets transferred to a pension plan pursuant to paragraph (3), such assets shall, for purposes of this section and sections 430 and 433, be treated as assets in the plan.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (h) of section 401 is amended by adding at the end the following: ''Nothing in this subsection or this section shall prevent a plan from transferring amounts from an account established under this subsection pursuant to the provisions of section 420(h).''.

(B) Subparagraph (B) of section 420(c)(1) is amended by adding at the end the following new clause:

''(iii) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—Clauses (i) and (ii) shall not apply to the amount of any excess health assets transferred from a health benefits account to the plan pursuant to subsection (h)(3)(A).''.

(C) Subsection (e) of section 420 is amended by adding at the end the following new paragraph:

''(8) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) IN GENERAL.—A qualified transfer or portion thereof shall not be subject to the limitations of subsections (b)(3), (c)(1), (f)(2)(C), or (f)(2)(E) to the extent an amount equal to such transfer (or portion) is transferred during the same taxable year under subsection (h).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—The requirements of subsection (h)(4)(B) shall apply in lieu of subsections (c)(3) and (f)(2)(D) in the case of a transfer or portion thereof to which subparagraph (A) applies.''.

(D) Subsection (l) of section 430 is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) shall be treated as assets in the plan.''.

(E) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) is amended by adding at the end the following new subsection:

''(d) TRANSFERS OF EXCESS HEALTH ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of any transfer made as permitted by section 420(h) of the Internal Revenue Code of 1986.''.

(F) Section 303(l) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(l)) is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) of such Code shall be treated as assets in the plan.''.

(G) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)) is amended by striking the period at the end and inserting '', or any transfer of excess health assets permitted under section 420(h) of such Code (as in effect on the date of the enactment of the Strengthening Benefit Plans Act of 2025).''.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)) is amended by adding at the end the following new paragraph:

''(4) TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) NOTICE TO PARTICIPANTS.—Not later than 60 days before the date of a transfer by an employee pension benefit plan of excess health assets pursuant to section 420(h)(1) of the Internal Revenue Code of 1986, the administrator of the plan shall provide notice (in such manner as the Secretary may prescribe) of such transfer to each participant and beneficiary eligible to receive benefits paid from the health benefits account under section 401(h) of such Code from which the transfer is to be made. Such notice shall include information with respect to the amount of excess health assets to be transferred, the plan or voluntary employees' beneficiary association to which the transfer is to be made, and the amount of pension benefits of the participant which will be nonforfeitable immediately after the transfer.

''(B) NOTICE TO SECRETARIES, ETC.—Rules similar to the rules of paragraph (2) shall apply for purposes of this paragraph.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2024.

(b) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

(1) IN GENERAL.—Section 401 is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

''(1) IN GENERAL.—

''(A) TRANSFER PERMITTED.—If an employer maintaining a defined benefit plan establishes or maintains a defined contribution plan which would be a qualified replacement plan (as defined in section 4980(d)(2)) with respect to the defined benefit plan but for the fact that the defined benefit plan is not terminated, subject to the requirements of paragraphs (3) and (4), any surplus assets of the defined benefit plan may be transferred to the defined contribution plan.

''(B) TREATMENT OF AMOUNT TRANSFERRED.—In the case of the transfer of any amount under subparagraph (A)—

''(i) such amount shall not be includible in the gross income of the employer,

''(ii) no deduction shall be allowable with respect to such transfer, and

''(iii) such transfer shall not be treated as an employer reversion for purposes of section 4980.

''(2) SURPLUS ASSETS.—For purposes of this subsection, the term 'surplus assets' means the excess of assets of the defined benefit plan over an amount equal to 110 percent of the value of plan liabilities used to determine premiums imposed under title IV of the Employee Retirement Income Security Act of 1974 for the plan year of the transfer.

''(3) VESTING OF BENEFITS.—The requirements of this paragraph are met if all benefits under the defined benefit plan become nonforfeitable in the same manner which would be required if the plan had terminated immediately before the transfer (or in the case of a participant who separated during the 1-year period ending on the date of the transfer, immediately before such separation).

''(4) NO REDUCTION IN BENEFITS.—The requirements of this paragraph are met if, during the period beginning with the year of the transfer and ending 4 plan years after the last plan year during which the replacement plan is funded by the transfer, no benefits under the replacement plan are reduced.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(e) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of any transfer made as permitted by section 401(p) of the Internal Revenue Code of 1986.''.

(B) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)), as amended by subsection (a), is further amended by inserting ''or of surplus defined benefit plan assets permitted under section 401(p) of such Code (as so in effect)'' before the period at the end.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

''(5) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—Rules similar to the rules of paragraph (4) shall apply in the case of any transfer by an employee pension benefit plan of surplus defined benefit plan assets pursuant to section 401(p) of the Internal Revenue Code of 1986.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years beginning after December 31, 2025.

SA 2760. Mr. MARSHALL submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PROHIBITING THE USE OF FEDERAL MEDICAID AND CHIP FUNDS TO PAY FOR GENDER TRANSITION PROCEDURES.

(a) MEDICAID.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)) is amended—

(1) in paragraph (26), by striking ''; or'' and inserting a semicolon;

(2) in paragraph (27), by striking the period at the end and inserting ''; or'';

(3) by inserting after paragraph (27) the following new paragraph:

''(28) with respect to any amount expended with respect to any medical intervention provided to a child under the age of 18 for the treatment of gender dysphoria that could result in sterilization.''; and

(4) in the flush left matter at the end, by striking ''and (18),'' and inserting ''(18), and (28)''.

(b) CHIP.—Section 2107(e)(1)(O) of the Social Security Act (42 U.S.C. 1397gg(e)(1)(O)), as redesignated by section 71103(b)(1)(A), is amended by striking ''and (17)'' and inserting ''(17), and (28)''.

SA 2761. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CLINTON WORK REQUIREMENTS FOR SNAP AND MEDICAID.

(a) SNAP.—Section 6(o)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)(2)) is

amended by striking subparagraph (A) and inserting the following:

''(A) engage in work as described in section 407(c) of the Social Security Act (42 U.S.C. 607(c));''.

(b) MEDICAID.—Section 1902(xx)(2) of the Social Security Act (42 U.S.C. 1396a(xx)(2)), as added by section 71121(a), is amended by striking subparagraphs (A) through (E) and inserting the following:

''(A) The individual is engaged in work, as determined under section 407(c).''.

SA 2762. Mr. LEE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in chapter 5 of subtitle A of title VII, insert the following:

SEC. _____. TERMINATION FOR BATTERY AND ENERGY STORAGE CREDITS.

(a) CLEAN ELECTRICITY INVESTMENT CREDIT.—Section 48E(e), as amended by this Act, is amended—

(1) in paragraph (1), by striking ''paragraph (4)'' and inserting ''paragraphs (4) and (5)'',

(2) by striking subparagraph (C) of paragraph (4), and

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

''(5) TERMINATION FOR ENERGY STORAGE TECHNOLOGY.—This section shall not apply to any energy storage technology unless—

''(A) such energy storage technology is placed in service by the taxpayer on or before December 31, 2027, and

''(B) construction begins with respect to such energy storage technology on or before the date which is 60 days after the date of the enactment of this paragraph.''.

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

SA 2763. Ms. CANTWELL (for herself and Mr. MARKEY) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 40012.

SA 2764. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 398, line 2, insert the following before the colon: ''that is not a for-profit entity or a school that has a contract with a for-profit management organization''.

SA 2765. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. HOSPITAL CLOSURES.

Beginning on the date that is 1 year after the date of enactment of this Act, any provision that modifies the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), modifies the Medicaid program under title XIX of such Act (42 U.S.C. 1396 et seq.), or affects eligibility or payments to States under the Patient Protection and Affordable Care Act shall be repealed and the Social Security Act and the Patient Protection and Affordable Care Act shall be applied as if such amendments had not been enacted if the following occurs:

(1) A hospital closes, as determined by such hospital submitting a voluntary termination of participation in the Medicare program to the Centers for Medicare & Medicaid Services.

(2) A hospital converts to a rural emergency hospital (as defined by section 1861(kkk)(2) of the Social Security Act (42 U.S.C. 1395x(kkk)(2))), as detailed in the report submitted by the Medicare Payment Advisory Commission under section 1805(b)(1)(C) of such Act (42 U.S.C. 1395b–6(b)(1)(C)).

(3) There is an increase in emergency Medicaid payments compared to the year prior to the date of enactment of this Act.

(4) There is an increase in disproportionate share hospital payments compared to the year prior to the date of enactment of this Act.

SA 2766. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 20003.

SA 2767. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 40002, strike subsections (a) and (b)(1) and insert the following:

(a) DEFINITIONS.—In this section:

(1) ASSISTANT SECRETARY.—The term ''Assistant Secretary'' means the Assistant Secretary of Commerce for Communications and Information.

(2) COMMISSION.—The term ''Commission'' means the Federal Communications Commission.

(3) COVERED BAND.—The term ''covered band''—

(A) except as provided in subparagraph (B), means the band of frequencies between 1.3 gigahertz and 10.5 gigahertz; and

(B) does not include—

(i) the band of frequencies between 3.1 gigahertz and 3.45 gigahertz for purposes of auction, reallocation, modification, or withdrawal;

(ii) the band of frequencies between 3.55 gigahertz and 3.7 gigahertz for purposes of auction, reallocation, modification, or withdrawal;

(iii) the band of frequencies between 5.925 gigahertz and 7.125 gigahertz for purposes of auction, reallocation, modification, or withdrawal; or

(iv) the band of frequencies between 7.4 gigahertz and 8.4 gigahertz for purposes of auction, reallocation, modification, or withdrawal.

(4) FULL-POWER COMMERCIAL LICENSED USE CASES.—The term ''full-power commercial licensed use cases'' means flexible use wireless broadband services with base station power levels sufficient for high-power, high-density, and wide-area commercial mobile services, consistent with the service rules under part 27 of title 47, Code of Federal Regulations, or any successor regulations, for wireless broadband deployments throughout the covered band.

(b) GENERAL AUCTION AUTHORITY.—

(1) AMENDMENT.—Section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)) is amended by striking ''grant a license or permit under this subsection shall expire March 9, 2023'' and all that follows and inserting the following: ''complete a system of competitive bidding under this subsection shall expire September 30, 2034, except that, with respect to the electromagnetic spectrum—

''(A) between the frequencies of 3.1 gigahertz and 3.45 gigahertz, such authority shall not apply;

''(B) between the frequencies of 3.55 gigahertz and 3.7 gigahertz, such authority shall not apply;

''(C) between the frequencies of 5.925 gigahertz and 7.125 gigahertz, such authority shall not apply; and

''(D) between the frequencies of 7.4 gigahertz and 8.4 gigahertz, such authority shall not apply.''.

SA 2768. Mr. SCHUMER (for himself, Mr. KIM, Mrs. GILLIBRAND, and Mr. BOOKER) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70120.

SA 2769. Mr. KING (for himself, Mr. KAINE, and Ms. WARREN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70608 and insert the following:

SEC. 70608. DIRECT FILE.

Out of any money in the Treasury not otherwise appropriated, there is hereby appropriated for fiscal year 2027 $15,000,000, to remain available under September 30, 2026, for necessary expenses of the Department of the Treasury to enhance, improve, and expand the Direct File program.

SA 2770. Mr. MERKLEY (for himself and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of section 50302(a)(3), add the following:

(D) USE OF PROCEEDS.—Of the monies derived from a timber sale contract entered into to meet the requirements under this paragraph and deposited in the general fund of the Treasury, 25 percent shall be distributed in accordance with the Act of May 23, 1908 (commonly known as the ''Forest Reserve Revenue Act of 1908'') (35 Stat. 260, chapter 192; 16 U.S.C. 500).

At the end of section 50302(b)(3), add the following:

(D) USE OF PROCEEDS.—Amounts derived from a contract entered into to meet the requirements under this paragraph on land subject to the Act of August 28, 1937 (50 Stat. 874, chapter 876; 43 U.S.C. 2601 et seq.), or the Act of May 24, 1939 (53 Stat. 753, chapter 144; 43 U.S.C. 2621 et seq.), shall be distributed in accordance with those Acts.

In section 50401(b), in the matter preceding paragraph (1), strike ''September 30, 2029—'' and all that follows through the period in paragraph (2) and insert ''September 30, 2029, $217,000,000 for maintenance of, including repairs to, storage facilities and related facilities of the Strategic Petroleum Reserve.''

SA 2771. Mrs. MURRAY proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

Strike section 71115.

SA 2772. Mr. KENNEDY (for himself and Mr. WELCH) proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

Strike section 30004 and insert the following:

SEC. 30004. APPROPRIATIONS FOR DEFENSE PRODUCTION ACT.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated for fiscal year 2025, out of amounts not otherwise appropriated, $1,000,000,000, to remain available until September 30, 2027, to carry out the Defense Production Act of 1950 (50 U.S.C. 4501 et seq.).

(b) LIMITATION ON USE OF FUNDS.—None of the amounts appropriated under this section may be obligated or expended to provide financing under the Defense Production Act of 1950 unless a joint resolution approving the financing is enacted into law.

SA 2773. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70431 and insert the following:

SEC. 70431. TERMINATION OF PARTIAL EXCLUSION FOR GAIN FROM CERTAIN SMALL BUSINESS STOCK.

Part I of subchapter P of chapter 1 of subtitle A is amended by striking section 1202.

SA 2774. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. LIMITATION ON OVERHEAD COSTS FOR FEDERAL GRANTS TO 15 PERCENT.

Notwithstanding any other provision of law, no Federal agency may award a grant that permits more than 15 percent of the total grant amount to be used for administrative or overhead costs.

SA 2775. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. DEDUCTION FOR CERTAIN EXPENSES OF ELIGIBLE EDUCATORS.

(a) INCREASE IN LIMITATION FOR ELIGIBLE EDUCATORS.—

(1) IN GENERAL.—Section 62(a)(2)(D) is amended—

(A) by striking ''ELEMENTARY AND SECONDARY SCHOOL TEACHERS'' in the heading and inserting ''ELIGIBLE EDUCATORS'', and

(B) by striking ''$250'' and inserting ''$600''.

(2) CONFORMING AMENDMENTS.—Section 62(d)(3) is amended—

(A) by striking ''2015'' and inserting ''2025'',

(B) by striking ''$250'' and inserting ''$600'', and

(C) by striking ''calendar year 2014'' and inserting ''calendar year 2024''.

(b) APPLICATION TO HOME EDUCATORS.—

(1) DEDUCTION ALLOWED.—

(A) IN GENERAL.—Part VII of subchapter A of chapter 1, as amended by sections 70201 and 70202, is further amended by redesignating section 226 as section 227 and by inserting after section 225 the following new section:

''SEC. 226. DEDUCTION FOR CERTAIN EXPENSES OF HOME EDUCATORS.

''(a) IN GENERAL.—In the case of an eligible home educator, there shall be allowed as a deduction an amount equal to the expenses paid or incurred by the eligible home educator—

''(1) by reason of the participation of the eligible home educator in courses related to—

''(A) the curriculum in which the eligible home educator provides instruction, or

''(B) such eligible educator's children, and

''(2) in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible home educator at the location where the educator teaches such individual's children.

''(b) LIMITATION.—The amount allowed as a deduction under this section for any taxable year shall not exceed the amount in effect under section 62(a)(2)(D).

''(c) ELIGIBLE HOME EDUCATOR.—For purposes of this section, the term 'eligible home educator' means any individual who teaches such individual's children at a home school which—

''(1) provides elementary or secondary education (kindergarten through grade 12), as determined under State law, and

''(2) is treated as a home school or a private school under State law.''.

(B) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter A of chapter 1, as amended by sections 70201 and 70202, is further amended by redesignating the item relating to section 226 as relating to section 227 and by inserting after the item relating to section 225 the following new item:

''Sec. 226. Deduction for certain expenses of home educators.''.

(2) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (21) the following new paragraph:

''(22) EXPENSES OF HOME EDUCATORS.—The deduction allowed by section 226.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SA 2776. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of 71105, add the following:

(b) EFFECTIVE DATE CHANGE.—Subparagraph (B) of section 1902(kk)(1) of the Social Security Act (42 U.S.C. 1396a(kk)(1)), as added by this section, is amended by striking ''January 1, 2028'' and inserting ''January 1, 2027''.

SA 2777. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71103, insert the following:

SEC. 71103. REDUCING DUPLICATE ENROLLMENT UNDER THE MEDICAID AND CHIP PROGRAMS.

(a) MEDICAID.—

(1) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(A) in subsection (a)—

(i) in paragraph (86), by striking ''and'' at the end;

(ii) in paragraph (87), by striking the period and inserting ''; and''; and

(iii) by inserting after paragraph (87) the following new paragraph:

''(88) provide—

''(A) beginning not later than January 1, 2027, in the case of 1 of the 50 States and the District of Columbia, for a process to regularly obtain address information for individuals enrolled under such plan (or a waiver of such plan) in accordance with subsection (vv); and

''(B) beginning not later than January 1, 2029—

''(i) for the State to submit to the system established by the Secretary under subsection (uu), with respect to an individual enrolled or seeking to enroll under such plan, not less frequently than once each month and during each determination or redetermination of the eligibility of such individual for medical assistance under such plan (or waiver of such plan)—

''(I) the social security number of such individual, if such individual has a social security number and is required to provide such number to enroll under such plan (or waiver); and

''(II) such other information with respect to such individual as determined necessary by the Secretary for purposes of preventing individuals from simultaneously being enrolled under State plans (or waivers of such plans) of multiple States;

''(ii) for the use of such system to prevent such simultaneous enrollment; and

''(iii) in the case that such system indicates that an individual enrolled or seeking to enroll under such plan (or waiver of such plan) is enrolled under a State plan (or waiver of such a plan) of another State, for the taking of appropriate action (as determined by the Secretary) to identify whether such an individual resides in the State and disenroll an individual from the State plan of such State if such individual does not reside in such State (unless such individual meets such an exception as the Secretary may specify).''; and

(B) by adding at the end the following new subsections:

''(uu) PREVENTION OF ENROLLMENT UNDER MULTIPLE STATE PLANS.—

''(1) IN GENERAL.—Not later than January 1, 2029, the Secretary shall establish a system to be utilized by the Secretary and States to prevent an individual from being simultaneously enrolled under the State plans (or waivers of such plans) of multiple States. Such system shall—

''(A) provide for the receipt of information submitted by a State under subsection (a)(88)(B)(i); and

''(B) not less than once each month, transmit information to a State (or allow the Secretary to transmit information to a State) regarding whether an individual enrolled or seeking to enroll under the State plan of such State (or waiver of such plan) is enrolled under the State plan (or waiver of such plan) of another State.

''(2) STANDARDS.—The Secretary shall establish such standards as determined necessary by the Secretary to limit and protect information submitted under such system and ensure the privacy of such information, consistent with subsection (a)(7).

''(3) IMPLEMENTATION FUNDING.—There are appropriated to the Secretary, out of amounts in the Treasury not otherwise appropriated, in addition to amounts otherwise available—

''(A) for fiscal year 2026, $10,000,000 for purposes of establishing the system and standards required under this subsection, to remain available until expended; and

''(B) for fiscal year 2029, $20,000,000 for purposes of maintaining such system, to remain available until expended.

''(vv) PROCESS TO OBTAIN ENROLLEE ADDRESS INFORMATION.—

''(1) IN GENERAL.—For purposes of subsection (a)(88)(A), a process to regularly obtain address information for individuals enrolled under a State plan (or a waiver of such plan) shall obtain address information from reliable data sources described in paragraph (2) and take such actions as the Secretary shall specify with respect to any changes to such address based on such information.

''(2) RELIABLE DATA SOURCES DESCRIBED.—For purposes of paragraph (1), the reliable data sources described in this paragraph are the following:

''(A) Mail returned to the State by the United States Postal Service with a forwarding address.

''(B) The National Change of Address Database maintained by the United States Postal Service.

''(C) A managed care entity (as defined in section 1932(a)(1)(B)) or prepaid inpatient health plan or prepaid ambulatory health plan (as such terms are defined in section 1903(m)(9)(D)) that has a contract under the State plan if the address information is provided to such entity or plan directly from, or verified by such entity or plan directly with, such individual.

''(D) Other data sources as identified by the State and approved by the Secretary.''.

(2) CONFORMING AMENDMENTS.—

(A) PARIS.—Section 1903(r)(3) of the Social Security Act (42 U.S.C. 1396b(r)(3)) is amended—

(i) by striking ''In order'' and inserting ''(A) In order'';

(ii) by striking ''through the Public'' and inserting ''through—

''(i) the Public'';

(iii) by striking the period at the end and inserting ''; and

''(ii) beginning January 1, 2029, the system established by the Secretary under section 1902(uu).''; and

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

''(B) Beginning January 1, 2029, the Secretary may determine that a State is not required to have in operation an eligibility determination system which provides for data matching (for purposes of address verification under section 1902(vv)) through the system described in subparagraph (A)(i) to meet the requirements of this paragraph.''.

(B) MANAGED CARE.—Section 1932 of the Social Security Act (42 U.S.C. 1396u–2) is amended by adding at the end the following new subsection:

''(j) TRANSMISSION OF ADDRESS INFORMATION.—Beginning January 1, 2027, each contract under a State plan with a managed care entity (as defined in section 1932(a)(1)(B)) or with a prepaid inpatient health plan or prepaid ambulatory health plan (as such terms are defined in section 1903(m)(9)(D)), shall provide that such entity or plan shall promptly transmit to the State any address information for an individual enrolled with such entity or plan that is provided to such entity or plan directly from, or verified by such entity or plan directly with, such individual.''.

(b) CHIP.—

(1) IN GENERAL.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

(A) by redesignating subparagraphs (H) through (U) as subparagraphs (I) through (V), respectively; and

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

''(H) Section 1902(a)(88) (relating to address information for enrollees and prevention of simultaneous enrollments).''.

(2) MANAGED CARE.—Section 2103(f)(3) of the Social Security Act (42 U.S.C. 1397cc(f)(3)) is amended by striking ''and (e)'' and inserting ''(e), and (j)''.

SA 2778. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. MODIFICATION OF RATE OF DEDUCTION FOR QUALIFIED BUSINESS INCOME.

(a) IN GENERAL.—Section 199A(a) is amended—

(1) in paragraph (2), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and by moving such clauses 2 ems to the right,

(2) by redesignating paragraphs (1) and (2) (as so amended) as subparagraphs (A) and (B), respectively, and by moving such subparagraphs 2 ems to the right,

(3) by striking ''DEDUCTION.—In the case of'' and inserting ''DEDUCTION.—

''(1) IN GENERAL.—In the case of'',

(4) by striking ''20 percent'' in paragraph (1)(B), as so redesignated, and inserting ''the deduction percentage'', and

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

''(2) DEDUCTION PERCENTAGE.—For purposes of this section—

''(A) IN GENERAL.—The deduction percentage is 30 percent—

''(i) reduced (but not below 20 percent) by 1 percentage point for every $5,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $150,000, and

''(ii) further reduced by 1 percentage point for every $250,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $50,000,000.

''(B) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of married individuals filing separate returns, subparagraph (A) shall be applied—

''(i) by substituting '$2,500' for '$5,000' and '$75,000' for '$150,000' in clause (i), and

''(ii) by substituting '$125,000' for '$250,000' and '$25,000,000' for '$50,000,000' in clause (ii).

''(C) ADJUSTMENT FOR INFLATION.—In the case of a taxable year beginning after 2026, each of the dollar amounts in subparagraphs (A)(i) and (B)(i) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

The amount of any increase under the preceding sentence shall be rounded as provided in section 1(f)(7).''.

(b) COMBINED QUALIFIED BUSINESS INCOME AMOUNT.—Section 199A(b)(1)(B) is amended by striking ''20 percent'' and inserting ''the deduction percentage''.

(c) DEDUCTIBLE AMOUNT.—Section 199A(b)(2)(A) is amended by striking ''20 percent'' and inserting ''the deduction percentage''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2779. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ___. REDUCTION IN CIVILIAN WORKFORCE OF DEPARTMENT OF DEFENSE.

The Secretary of Defense shall reduce the number of civilian employees of the Department of Defense, as of the date of the enactment of this Act, by 15 percent during the five-year period beginning on such date of enactment.

SA 2780. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 40004 and insert the following:

SEC. 40004. SPACE LAUNCH AND REENTRY USER FEES.

(a) IN GENERAL.—Chapter 509 of title 51, United States Code, is amended by adding at the end the following new section:

''§ 50924. Space launch and reentry user fees

''(a) FEES.—

''(1) PROPOSAL.—

''(A) IN GENERAL.—On or before June 1, 2026, the Secretary of Transportation shall submit to the appropriate committees of Congress a proposal for imposing fees, which shall be deposited in the account established by subsection (e), on each launch or reentry carried out under a license or experimental permit issued under section 50904 during 2027 or a subsequent year.

''(B) DEVELOPMENT AND REVIEW.—The proposal required by subparagraph (A)—

''(i) shall be developed by the Office of Commercial Space Transportation of the Federal Aviation Administration, in consultation with the Commercial Space Transportation Advisory Committee and, as necessary and appropriate, a dedicated aerospace rulemaking committee; and

''(ii) before submission to Congress under that subparagraph, reviewed and approved by the Secretary of Transportation.

''(C) ELEMENTS.—The proposal developed and submitted under this paragraph shall include the following:

''(i) FEE CATEGORIES.—Separate proposed fees for each of the following categories of licenses and permits:

''(I) Experimental permits.

''(II) Suborbital launch licenses.

''(III) Orbital launch licenses.

''(IV) Reentry licenses.

''(ii) FEE AMOUNTS.—Fee amounts that generate the recommended revenue set forth in subsection (d).

''(iii) AVOIDANCE OF DUPLICATION.—A provision that requires that, in a case in which the same operator is conducting both a launch and a reentry during a single mission, the operator shall only be charged for the greater of—

''(I) the launch fee; or

''(II) the reentry fee.

''(iv) FEE REFUND.—A provision that sets forth that licensees shall be eligible for a fee refund if the Secretary of Transportation issues the relevant license or permit on a date that is, as applicable—

''(I) more than 180 calendar days after the date on which the application for such license is submitted; or

''(II) more than 120 calendar days after the date on which an application for a license modification is submitted.

''(v) FEE WAIVER.—A provision that authorizes Federal agencies that contract for commercially provided launches and reentries to request a fee waiver on a case-by-case basis for such launches and reentries.

''(2) REVIEW.—Not later than October 1, 2026, the appropriate committees of Congress shall—

''(A) complete a review of the proposal submitted under paragraph (1); and

''(B) submit to the Secretary of Transportation a response with respect to such proposal that indicates whether the appropriate committees of Congress approve or reject the fee structure contained in the proposal.

''(3) IMPLEMENTATION.—If the appropriate committees of Congress approve the proposal submitted under this subsection, the Secretary of Transportation may commence implementation of the fees set forth in such proposal.

''(b) ANNUAL REPORT.—Beginning on January 1, 2028, and annually thereafter, as long as fees under this section remain in effect, the Secretary of Transportation shall submit to the appropriate committees of Congress a report that includes, with respect to the preceding calendar year, the amount of such fees assessed and a description of the activities funded by such fees.

''(c) GAO REVIEW.—

''(1) IN GENERAL.—Not later than January 1, 2030, the Comptroller General of the United States shall commence a review of the fees implemented under this section to determine whether such fees—

''(A) meet congressional intent, including with respect to the generation of the required annual revenue set forth in subsection (d);

''(B) are being implemented by the Secretary of Transportation in a manner consistent with the purposes of commercial space launch and reentry activities described in section 50901(b); and

''(C) affect any sector of the United States commercial space industry in a manner that is detrimental to safety, innovation, growth, or economic competitiveness.

''(2) REPORT.—Not later than 270 days after the date on which the review under this subsection is commenced, the Comptroller General shall submit to the appropriate committees of Congress a report on the results of the review.

''(d) REQUIRED REVENUE.—The fees proposed by the Secretary of Transportation and approved by the appropriate committees of Congress should be structured so as to generate the following sum total annual revenue, to be collected and deposited in the account established by subsection (e):

''(1) For 2027, $2,000,000.

''(2) For 2028, $4,000,000.

''(3) For 2029, $5,000,000.

''(4) For 2030, $7,000,000.

''(5) For 2031, $10,000,000.

''(6) For 2032, $14,000,000.

''(7) For 2033, $18,000,000.

''(8) For fiscal year 2034 and each subsequent fiscal year, the amount specified in this paragraph for the previous year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

''(e) OFFICE OF COMMERCIAL SPACE TRANSPORTATION LAUNCH AND REENTRY LICENSING AND PERMITTING FUND.—There is established in the Treasury of the United States a separate account, which shall be known as the 'Office of Commercial Space Transportation Launch and Reentry Licensing and Permitting Fund', for the purposes of expenses of the Office of Commercial Space Transportation of the Federal Aviation Administration and to carry out section 630(b) of the FAA Reauthorization Act of 2024 (Public Law 118–63; 138 Stat. 1047). The amounts deposited into the fund shall be available for such purposes without further appropriation and without fiscal year limitation.

''(f) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term 'appropriate committees of Congress' means—

''(1) the Committee on Commerce, Science, and Transportation of the Senate;

''(2) the Committee on Transportation and Infrastructure of the House of Representatives; and

''(3) the Committee on Science, Space, and Technology of the House of Representatives.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 509 of title 51, United States Code, is amended by inserting after the item relating to section 50923 the following:

''50924. Space launch and reentry user fees.''.

SA 2781. Mr. WYDEN (for himself and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50302(a)(2)(A), strike ''For each'' and insert ''Subject to applicable law (including regulations in effect on the date of enactment of this Act), for each''.

In section 50302(a)(3), strike subparagraph (C).

In section 50302(b)(2)(A), strike ''For each'' and insert ''Subject to applicable law (including regulations in effect on the date of enactment of this Act), for each''.

In section 50302(b)(3), strike subparagraph (C).

In section 50401(b)(2), strike ''$171,000,000'' and insert ''$66,000,000''.

In section 50501, strike ''$1,000,000,000'' and insert ''$743,000,000''.

SA 2782. Ms. SMITH (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70405 and insert the following:

SEC. 70405. ENHANCEMENT OF CHILD AND DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 21(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) APPLICABLE PERCENTAGE.—

''(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent reduced (but not below the phaseout percentage) by 1 percentage point for each $2,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $125,000.

''(B) PHASEOUT PERCENTAGE.—For purposes of subparagraph (A), the term 'phaseout percentage' means 20 percent reduced (but not below zero) by 1 percentage point for each $2,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $400,000.''.

(b) INCREASE IN DOLLAR LIMIT ON AMOUNT CREDITABLE.—Subsection (c) of section 21 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1), by striking ''$3,000'' and inserting ''$8,000'', and

(2) in paragraph (2), by striking ''$6,000'' and inserting ''$16,000''.

(c) SPECIAL RULE FOR MARRIED COUPLES FILING SEPARATE RETURNS.—Paragraph (2) of section 21(e) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) MARRIED COUPLES FILING SEPARATE RETURNS.—

''(A) IN GENERAL.—In the case of married individuals who do not file a joint return for the taxable year—

''(i) the applicable percentage under subsection (a)(2) and the number of qualifying individuals and aggregate amount excludable under section 129 for purposes of subsection (c) shall be determined with respect to each such individual as if the individual had filed a joint return with the individual's spouse, and

''(ii) the aggregate amount of the credits allowed under this section for such taxable year with respect to both spouses shall not exceed the amount which would have been allowed under this section if the individuals had filed a joint return.

''(B) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as is necessary to carry out the purposes of this subsection.''.

(d) ADJUSTMENT FOR INFLATION.—Section 21 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(i) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of a calendar year beginning after 2025, the $125,000 amount in paragraph (2) of subsection (a) and the dollar amounts in subsection (c) shall each be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(2) ROUNDING.—If any dollar amount, after being increased under paragraph (1), is not a multiple of $100, such dollar amount shall be rounded to the next lowest multiple of $100.''.

(e) CREDIT MADE REFUNDABLE.—Section 21(g) of the Internal Revenue Code of 1986 is amended to read as follows:

''(g) CREDIT MADE REFUNDABLE FOR CERTAIN INDIVIDUALS.—If the taxpayer (in the case of a joint return, either spouse) has a principal place of abode in the United States (determined as provided in section 32) for more than one-half of the taxable year, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C (and not allowed under this subpart).''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

At the appropriate place, insert the following:

SEC. ___. ESTABLISHMENT OF 39.6 PERCENT INDIVIDUAL INCOME TAX RATE BRACKET.

(a) IN GENERAL.—Section 1(j)(2) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) 39.6 PERCENT RATE BRACKET.—Notwithstanding subparagraphs (A) through (E), in prescribing the tables under this subsection for purposes of paragraph (3)(B)—

''(i) the excess of taxable income over $2,500,000, if any, shall be taxed at a rate of 39.6 percent, and

''(ii) paragraph (3)(B)(i) shall be applied with respect to such $2,500,000 amount by substituting '2024' for '2017'.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2783. Ms. SMITH (for herself, Ms. WARREN, Mr. MURPHY, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71303 and insert the following:

SEC. 71303. ADJUSTMENT TO CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended by striking ''21 percent'' and inserting ''21.3 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2784. Ms. SMITH (for herself, Ms. WARREN, Mr. MURPHY, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71305 and insert the following:

SEC. 71305. ADJUSTMENT TO CORPORATE TAX RATE.

(a) IN GENERAL.—Section 11(b) is amended by striking ''21 percent'' and inserting ''21.2 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2785. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 142, lines 15 and 16, strike ''notwithstanding paragraphs (1) and (2) of section 1105(a) and sections 1131, 1132, 1133, and 1156,''.

SA 2786. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PRESCRIPTION PRICING FOR THE PEOPLE.

(a) SHORT TITLE.—This section may be cited as the ''Prescription Pricing for the People Act of 2025''.

(b) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means—

(A) the Committee on the Judiciary of the Senate; and

(B) the Committee on the Judiciary of the House of Representatives.

(2) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(c) STUDY OF PHARMACEUTICAL SUPPLY CHAIN INTERMEDIARIES AND MERGER ACTIVITY.—

(1) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to the appropriate committees of Congress a report that—

(A) addresses at minimum—

(i) whether pharmacy benefit managers—

(I) charge payers a higher price than the reimbursement rate at which the pharmacy benefit managers reimburse pharmacies owned by the pharmacy benefit manager and pharmacies not owned by the pharmacy benefit manager;

(II) steer patients for competitive advantage to any pharmacy, including a retail, mail-order, or any other type of pharmacy, in which the pharmacy benefit managers have an ownership interest;

(III) audit or review proprietary data, including acquisition costs, patient information, or dispensing information, of pharmacies not owned by the pharmacy benefit manager and use such proprietary data to increase revenue or market share for competitive advantage; or

(IV) use formulary designs to increase the market share of higher cost prescription drugs or depress the market share of lower cost prescription drugs (each net of rebates and discounts);

(ii) trends or observations on the state of competition in the healthcare supply chain, particularly with regard to intermediaries and their integration with other intermediaries, suppliers, or payers of prescription drug benefits;

(iii) how companies and payers assess the benefits, costs, and risks of contracting with intermediaries, including pharmacy services administrative organizations, and whether more information about the roles of intermediaries should be available to consumers and payers;

(iv) whether there are any specific legal or regulatory obstacles the Commission currently faces in enforcing the antitrust and consumer protection laws in the pharmaceutical supply chain, including the pharmacy benefit manager marketplace and pharmacy services administrative organizations; and

(v) whether there are any specific legal or regulatory obstacles that contribute to the cost of prescription drug prices; and

(B) provides—

(i) observations or conclusions drawn from the November 2017 roundtable entitled ''Understanding Competition in Prescription Drug Markets: Entry and Supply Chain Dynamics'' and any similar efforts;

(ii) specific actions the Commission intends to take as a result of the November 2017 roundtable, and any similar efforts, including a detailed description of relevant forthcoming actions, additional research or roundtable discussions, consumer education efforts, or enforcement actions; and

(iii) policy or legislative recommendations to—

(I) improve transparency and competition in the pharmaceutical supply chain;

(II) prevent and deter anticompetitive behavior in the pharmaceutical supply chain; and

(III) best ensure that consumers benefit from any cost savings or efficiencies that may result from mergers and consolidations.

(2) INTERIM REPORT.—Not later than 180 days after the date of enactment of this Act, the Commission shall submit to the appropriate committees of Congress an interim report on the progress of the report required by paragraph (1), along with preliminary findings and conclusions based on information collected to that date.

(d) REPORT.—The Commission shall submit to the appropriate committees of Congress a report that includes—

(1) the number and nature of complaints received by the Commission relating to an allegation of anticompetitive conduct by a manufacturer of a sole-source drug;

(2) the ability of the Commission to bring an enforcement action against a manufacturer of a sole-source drug; and

(3) policy or legislative recommendations to strengthen enforcement actions relating to anticompetitive behavior.

SA 2787. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. STREAMLINED ENROLLMENT PROCESS FOR ELIGIBLE OUT-OF-STATE PROVIDERS UNDER MEDICAID AND CHIP.

(a) IN GENERAL.—Section 1902(kk) of the Social Security Act (42 U.S.C. 1396a(kk)) is amended by adding at the end the following new paragraph:

''(10) STREAMLINED ENROLLMENT PROCESS FOR ELIGIBLE OUT-OF-STATE PROVIDERS.—

''(A) IN GENERAL.—The State—

''(i) adopts and implements a process to allow an eligible out-of-State provider to enroll under the State plan (or a waiver of such plan) to furnish items and services to, or order, prescribe, refer, or certify eligibility for items and services for, qualifying individuals without the imposition of screening or enrollment requirements by such State that exceed the minimum necessary for such State to provide payment to the eligible out-of-State provider under the State plan (or a waiver of such plan), such as the provider's name and National Provider Identifier (and such other information specified by the Secretary); and

''(ii) provides that an eligible out-of-State provider that enrolls as a participating provider in the State plan (or a waiver of such plan) through such process shall be so enrolled for a 5-year period, unless the provider is terminated or excluded from participation during such period.

''(B) DEFINITIONS.—In this paragraph:

''(i) ELIGIBLE OUT-OF-STATE PROVIDER.—The term 'eligible out-of-State provider' means, with respect to a State, a provider—

''(I) that is located in any other State;

''(II) that—

''(aa) was determined by the Secretary to have a limited risk of fraud, waste, and abuse for purposes of determining the level of screening to be conducted under section 1866(j)(2), has been so screened under such section 1866(j)(2), and is enrolled in the Medicare program under title XVIII; or

''(bb) was determined by the State agency administering or supervising the administration of the State plan (or a waiver of such plan) of such other State to have a limited risk of fraud, waste, and abuse for purposes of determining the level of screening to be conducted under paragraph (1) of this subsection, has been so screened under such paragraph (1), and is enrolled under such State plan (or a waiver of such plan); and

''(III) that has not been—

''(aa) excluded from participation in any Federal health care program pursuant to section 1128 or 1128A;

''(bb) excluded from participation in the State plan (or a waiver of such plan) pursuant to part 1002 of title 42, Code of Federal Regulations (or any successor regulation), or State law; or

''(cc) terminated from participating in a Federal health care program or the State plan (or a waiver of such plan) for a reason described in paragraph (8)(A).

''(ii) QUALIFYING INDIVIDUAL.—The term 'qualifying individual' means an individual under 21 years of age who is enrolled under the State plan (or waiver of such plan).

''(iii) STATE.—The term 'State' means 1 of the 50 States or the District of Columbia.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1902(a)(77) of the Social Security Act (42 U.S.C. 1396a(a)(77)) is amended by inserting ''enrollment,'' after ''screening,''.

(2) The subsection heading for section 1902(kk) of such Act (42 U.S.C. 1396a(kk)) is amended by inserting ''ENROLLMENT,'' after ''SCREENING,''.

(3) Section 2107(e)(1)(G) of such Act (42 U.S.C. 1397gg(e)(1)(G)) is amended by inserting ''enrollment,'' after ''screening,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 3 years after the date of enactment of this section.

SA 2788. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

Subtitle__—Rebasing Calculation of Payments for Sole Community Hospitals and Medicare-dependent Hospitals

SEC. 7__001. REBASING OF THE CALCULATION OF PAYMENTS FOR SOLE COMMUNITY HOSPITALS.

(a) REBASING PERMITTED.—Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)) is amended by adding at the end the following new subparagraph:

''(M)(i) For cost reporting periods beginning on or after October 1, 2025, in the case of a sole community hospital there shall be substituted for the amount otherwise determined under subsection (d)(5)(D)(i) of this section, if such substitution results in a greater amount of payment under this section for the hospital, the subparagraph (M) rebased target amount.

''(ii) For purposes of this subparagraph, the term 'subparagraph (M) rebased target amount' has the meaning given the term 'target amount' in subparagraph (C), except that—

''(I) there shall be substituted for the base cost reporting period the 12-month cost reporting period beginning during fiscal year 2016;

''(II) any reference in subparagraph (C)(i) to the 'first cost reporting period' described in such subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2025; and

''(III) the applicable percentage increase shall only be applied under subparagraph (C)(iv) for discharges occurring on or after October 1, 2025.''.

(b) CONFORMING AMENDMENTS.—Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)) is amended—

(1) in subparagraph (C), in the matter preceding clause (i), by striking ''subparagraphs (I) and (L)'' and inserting ''subparagraphs (I), (L), and (M)''; and

(2) in subparagraph (I)(i), in the matter preceding subclause (I), by striking ''subparagraph (L)'' and inserting ''subparagraphs (L) and (M)''.

SEC. 7__002. REBASING OF THE CALCULATION OF PAYMENTS FOR MEDICARE-DEPENDENT HOSPITALS.

Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), as amended by section 7__001, is amended—

(1) in subparagraph (D), by striking ''subparagraph (K)'' and inserting ''subparagraphs (K) and (N)''; and

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

''(N)(i) With respect to discharges occurring on or after October 1, 2025, in the case of a medicare-dependent, small rural hospital, for purposes of applying subparagraph (D)—

''(I) there shall be substituted for the base cost reporting period described in subparagraph (D)(i) the 12-month cost reporting period beginning during fiscal year 2016; and

''(II) any reference in such subparagraph to the 'first cost reporting period' described in such subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2025.

''(ii) This subparagraph shall only apply to a hospital if the substitution described in clause (i)(I) results in an increase in the target amount under subparagraph (D) for the hospital.''.

SEC. 7__003. PROHIBITION OF ADJUSTMENTS TO CLASSIFICATIONS AND WEIGHTING FACTORS RELATING TO THE CALCULATION OF PAYMENTS FOR SOLE COMMUNITY HOSPITALS AND MEDICARE-DEPENDENT HOSPITALS.

Section 1886(d)(4)(C) of the Social Security Act (42 U.S.C. 1395ww(d)(4)(C))—

(1) in clause (i), by striking ''The Secretary'' and inserting ''Subject to clause (v), the Secretary''; and

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

''(v) For discharges using the rebased target amounts described in subparagraph (M) or (N) of subsection (b)(3), the Secretary may not adjust such amounts for adjustments required by clause (iii) prior to October 1, 2015.''.

SEC. 7__004. EXTENSION OF THE MEDICARE-DEPENDENT HOSPITAL (MDH) PROGRAM.

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

(1) in clause (i), by striking '', and before October 1, 2025''; and

(2) in clause (ii)(II), by striking '', and before October 1, 2025''.

(b) CONFORMING AMENDMENTS.—

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

(A) in the matter preceding clause (i), by striking '', and before October 1, 2025''; and

(B) in clause (iv), by striking ''through fiscal year 2025'' and inserting ''or a subsequent fiscal year''.

(2) PERMITTING HOSPITALS TO DECLINE RECLASSIFICATION.—Section 13501(e)(2) of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 1395ww note) is amended by striking ''fiscal year 2000 through fiscal year 2025'' and inserting ''a subsequent fiscal year''.

SEC. 7__005. EXTENSION OF THE INCREASED PAYMENTS UNDER THE MEDICARE LOW-VOLUME HOSPITAL PROGRAM.

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

(1) in subparagraph (B)—

(A) in the subparagraph heading, by inserting ''FOR FISCAL YEARS 2005 THROUGH 2010'' after ''INCREASE''; and

(B) in the matter preceding clause (i), by striking ''and for discharges occurring in fiscal year 2026 and subsequent fiscal years'';

(2) in subparagraph (C)(i)—

(A) in the matter preceding subclause (I), by striking '' fiscal years 2011 through 2025'' and inserting ''fiscal year 2011 and subsequent fiscal years'';

(B) in subclause (III)—

(i) by striking ''each of fiscal years 2019 through 2025'' and inserting ''fiscal year 2019 and each subsequent fiscal year''; and

(ii) by striking ''; and'' at the end and inserting a period; and

(C) by striking subclause (IV); and

(3) in subparagraph (D)—

(A) by amending the subparagraph heading to reach as follows: ''APPLICABLE PERCENTAGE INCREASE BEGINNING WITH FISCAL YEAR 2011.—'';

(B) in the matter preceding clause (i), by striking ''fiscal years 2011 through 2025'' and inserting ''fiscal year 2011 and subsequent fiscal years''; and

(C) in clause (ii), by striking ''each of fiscal years 2019 through 2025'' and inserting ''fiscal year 2019 and each subsequent fiscal year''.

SA 2789. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

CHAPTER ____—PHARMACY BENEFIT MANAGER TRANSPARENCY

SEC. ____01. PROHIBITION ON UNFAIR OR DECEPTIVE PRESCRIPTION DRUG PRICING PRACTICES.

(a) CONDUCT PROHIBITED.—Except as provided in subsection (b), it shall be unlawful for any pharmacy benefit manager (or affiliate, subsidiary, or agent of a pharmacy benefit manager), directly or indirectly, to engage in any of the following activities related to pharmacy benefit management services:

(1) Charge a health plan or payer a different amount for a prescription drug's ingredient cost or dispensing fee than the amount the pharmacy benefit manager reimburses a pharmacy for the prescription drug's ingredient cost or dispensing fee where the pharmacy benefit manager retains the amount of any such difference.

(2) Arbitrarily, unfairly, or deceptively, by contract or any other means, reduce, rescind, or otherwise claw back any reimbursement payment, in whole or in part, to a pharmacist or pharmacy for a prescription drug's ingredient cost or dispensing fee, unless—

(A) the original claim was submitted fraudulently;

(B) the original claim payment was inconsistent with the reimbursement terms in the contract; or

(C) the pharmacist services were not rendered by the pharmacy or pharmacist.

(3) Arbitrarily, unfairly, or deceptively, by contract or any other means, increase fees or lower reimbursement to a pharmacy in order to offset reimbursement changes instructed by the Federal Government under any health plan funded by the Federal Government.

(b) EXCEPTIONS.—A pharmacy benefit manager shall not be in violation of paragraph (1) or (3) of subsection (a) if the pharmacy benefit manager meets the following conditions:

(1) The pharmacy benefit manager, affiliate, subsidiary, or agent passes along or returns 100 percent of any price concession to a health plan or payer, including any rebate, discount, or other price concession.

(2) The pharmacy benefit manager, affiliate, subsidiary, or agent provides full and complete disclosure of—

(A) the cost, price, and reimbursement of a prescription drug to each health plan, payer, and pharmacy with which the pharmacy benefit manager, affiliate, subsidiary, or agent has a contract or agreement to provide pharmacy benefit management services;

(B) each fee, markup, and discount charged or imposed by the pharmacy benefit manager, affiliate, subsidiary, or agent to each health plan, payer, and pharmacy with which the pharmacy benefit manager, affiliate, subsidiary, or agent has a contract or agreement for pharmacy benefit management services; or

(C) the aggregate amount of all remuneration the pharmacy benefit manager receives from a prescription drug manufacturer for a prescription drug, including any rebate, discount, administration fee, and any other payment or credit obtained or retained by the pharmacy benefit manager, or affiliate, subsidiary, or agent of the pharmacy benefit manager, pursuant to a contract or agreement for pharmacy benefit management services to a health plan, payer, or any Federal agency (upon the request of the agency).

SEC. ___02. PROHIBITION ON FALSE INFORMATION.

It shall be unlawful for any person to report information related to pharmacy benefit management services to a Federal department or agency if—

(1) the person knew, or reasonably should have known, the information to be false or misleading;

(2) the information was required by law to be reported; and

(3) the false or misleading information reported by the person would affect analysis or information compiled by the Federal department or agency for statistical or analytical purposes with respect to the market for pharmacy benefit management services.

SEC. ___03. TRANSPARENCY.

(a) REPORTING BY PHARMACY BENEFIT MANAGERS.—Subject to subsection (d), not later than 1 year after the date of enactment of this chapter, and annually thereafter, each pharmacy benefit manager (or affiliate, subsidiary, or agent of a pharmacy benefit manager) shall report to the Commission and the Secretary of Health and Human Services the following information:

(1) The aggregate amount of the difference between the amount the pharmacy benefit manager was paid by each health plan and the amount that the pharmacy benefit manager paid each pharmacy on behalf of the health plan for prescription drugs.

(2) The aggregate amount of any—

(A) generic effective rate fee charged to each pharmacy;

(B) direct and indirect remuneration fee charged or other price concession to each pharmacy; and

(C) payment rescinded or otherwise clawed back from a reimbursement made to each pharmacy.

(3) If, during the reporting year, the pharmacy benefit manager moved or reassigned a prescription drug to a formulary tier that has a higher cost, higher copayment, higher coinsurance, or higher deductible to a consumer, or a lower reimbursement to a pharmacy, an explanation of the reason why the drug was moved or reassigned from 1 tier to another, including whether the move or reassignment was determined or requested by a prescription drug manufacturer or other entity.

(4) With respect to any pharmacy benefit manager that owns, controls, or is affiliated with a pharmacy, a report regarding any difference in reimbursement rates or practices, direct and indirect remuneration fees or other price concessions, and clawbacks between a pharmacy that is owned, controlled, or affiliated with the pharmacy benefit manager and any other pharmacy.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this chapter, and annually thereafter, the Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that addresses, at a minimum—

(A) the number actions brought by the Commission during the reporting year to enforce this chapter and the outcome of each such enforcement action;

(B) the number of open investigations or inquiries into potential violations of this chapter as of the time the report is submitted;

(C) the number and nature of complaints received by the Commission relating to an allegation of a violation of this chapter during the reporting year;

(D) an anonymized summary of the reports filed with the Commission pursuant to subsection (a) for the reporting year;

(E) an analysis of the requirements of this chapter and whether the implementation of such requirements leads to mergers (including horizontal mergers or vertical mergers) amongst any pharmacy benefit managers, or any pharmacy benefit manager that owns, controls, or is affiliated with a pharmacy, or any pharmacy benefit manager that owns, controls, or is affiliated with a health plan, and the effect of such merger (including the likelihood of a substantial decrease in competition or the potential for a monopoly); and

(F) policy or legislative recommendations to strengthen any enforcement action relating to a violation of this chapter, including recommendations to include additional prohibited conduct in section ___01(a), and recommendations to encourage more competition and decrease the likelihood of a monopoly in the pharmaceutical supply chain.

(2) FORMULARY DESIGN OR PLACEMENT PRACTICES.—Not later than 1 year after the date of enactment of this chapter, the Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Finance of the Senate, the Committee on Health, Education, Labor, and Pensions of the Senate, the Committee on Ways and Means of the House of Representatives, and the Committee on Energy and Commerce of the House of Representatives a report that addresses the policies, practices, and role of pharmacy benefit managers (including their affiliates, subsidiaries, and agents) regarding formulary design or placement, including—

(A) whether pharmacy benefit managers (including their affiliates, subsidiaries, and agents) use formulary design or placement to increase their gross revenue without an accompanying increase in patient access or decrease in patient cost; or

(B) recommendations to Congress for legislative action addressing such policies, practices, and role of pharmacy benefit managers (including their affiliates, subsidiaries, and agents).

(3) CONSTRUCTION.—Nothing in this section shall be construed as authorizing the Commission to disclose any information that is a trade secret or confidential information described in section 552(b)(4) of title 5, United States Code, except as necessary to enforce this chapter.

(4) CONFIDENTIALITY.—The Commission may disclose the information in a form which does not disclose the identity of a specific pharmacy benefit manager, pharmacy, or health plan for the following purposes:

(A) To permit the Comptroller General of the United States to review the information provided to carry out this chapter.

(B) To permit the Director of the Congressional Budget Office to review the information provided.

(c) GAO STUDY.—Not later than 1 year after the date of enactment of this chapter, the Comptroller General of the United States shall submit to the Committee on Commerce, Science, and Transportation, the Committee on Finance, and the Committee on Health, Education, Labor, and Pensions of the Senate and to the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives a report that—

(1) addresses, at minimum—

(A) the role that pharmacy benefit managers play in the pharmaceutical supply chain;

(B) the state of competition among pharmacy benefit managers, including the market share for the Nation's 10 largest pharmacy benefit managers;

(C) the use of rebates and fees by pharmacy benefit managers, including data for each of the 10 largest pharmacy benefit managers that reflects, for each drug in the formulary of each such pharmacy benefit manager—

(i) the amount of the rebate passed on to patients;

(ii) the amount of the rebate passed on to payors;

(iii) the amount of the rebate kept by the pharmacy benefit manager; and

(iv) the role of fees charged by the pharmacy benefit manager;

(D) whether pharmacy benefit managers structure their formularies in favor of high-rebate prescription drugs over lower-cost, lower-rebate alternatives;

(E) the average prior authorization approval time for each of the 10 largest pharmacy benefit managers;

(F) factors affecting the use of step therapy in each of the 10 largest pharmacy benefit managers;

(G) the extent to which the price that pharmacy benefit managers charge payors, such as the Medicare program under title XXVIII of the Social Security Act (42 U.S.C. 1395 et seq.), State Medicaid programs under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code, or private payors, for a drug is more than such pharmacy benefit managers pay the pharmacy for the drug; and

(H) the competitive impact of pharmacy benefit managers' business practices, including the impact that such business practices have on the cost of health plan premiums or prescription drugs for consumers; and

(2) provides recommendations for legislative action to lower the cost of prescription drugs for consumers and payors, improve the efficiency of the pharmaceutical supply

chain by lowering intermediary costs, improve competition in pharmacy benefit management, and provide transparency in pharmacy benefit management.

(d) PRIVACY REQUIREMENTS.—Any entity shall provide information under subsection (a) in a manner consistent with the privacy, security, and breach notification regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note) (or any successor regulation), and shall restrict the use and disclosure of such information according to such regulations.

SEC. ___04. WHISTLEBLOWER PROTECTIONS.

(a) IN GENERAL.—A pharmacy benefit manager, health plan, pharmaceutical manufacturer, pharmacy, or any affiliate, subsidiary, or agent thereof shall not, directly or indirectly, discharge, demote, suspend, diminish, or withdraw benefits from, threaten, harass, or in any other manner discriminate against or adversely impact a covered individual because—

(1) the covered individual, or anyone perceived as assisting the covered individual, takes (or is suspected to have taken or will take) a lawful action in providing to Congress, an agency of the Federal Government, the attorney general of a State, a State regulator with authority over the distribution or insurance coverage of prescription drugs, or a law enforcement agency relating to any act or omission that the covered individual reasonably believes to be a violation of this chapter;

(2) the covered individual provides information that the covered individual reasonably believes evidences such a violation to—

(A) a person with supervisory authority over the covered individual at the pharmacy benefit manager, health plan, pharmaceutical manufacturer, pharmacy, or any affiliate, subsidiary, or agent thereof; or

(B) another individual working for the pharmacy benefit manager, health plan, pharmaceutical manufacturer, pharmacy, or any affiliate, subsidiary, or agent thereof who the covered individual reasonably believes has the authority to investigate, discover, or terminate the violation or to take any other action to address the violation;

(3) the covered individual testifies (or it is suspected that the covered individual will testify) in an investigation or judicial or administrative proceeding concerning such a violation; or

(4) the covered individual assists or participates (or it is expected that the covered individual will assist or participate) in such an investigation or judicial or administrative proceeding.

(b) ENFORCEMENT.—An individual who alleges any adverse action in violation of subsection (a) may bring an action for a jury trial in the appropriate district court of the United States for the following relief:

(1) Temporary relief while the case is pending.

(2) Reinstatement with the same seniority status that the individual would have had, but for the discharge or discrimination.

(3) Twice the amount of back pay otherwise owed to the individual, with interest.

(4) Consequential and compensatory damages, and compensation for litigation costs, expert witness fees, and reasonable attorneys' fees.

(c) WAIVER OF RIGHTS AND REMEDIES.—The rights and remedies provided for in this section shall not be waived by any policy form or condition of employment, including by a predispute arbitration agreement.

(d) PREDISPUTE ARBITRATION AGREEMENTS.—No predispute arbitration agreement shall be valid or enforceable if the agreement requires arbitration of a dispute arising under this section.

SEC. ___05. ENFORCEMENT.

(a) ENFORCEMENT BY THE COMMISSION.—

(1) UNFAIR AND DECEPTIVE ACTS OR PRACTICES.—A violation of this chapter shall be treated as a violation of a rule defining an unfair or deceptive act or practice under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) POWERS OF THE COMMISSION.—

(A) IN GENERAL.—Except as provided in subparagraph (C), the Commission shall enforce this chapter in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this chapter.

(B) PRIVILEGES AND IMMUNITIES.—Subject to paragraph (3), any person who violates this chapter shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(C) NONPROFIT ORGANIZATIONS AND INSURANCE.—Notwithstanding section 4 or 6 of the Federal Trade Commission Act (15 U.S.C. 44, 46), section 2 of McCarran-Ferguson Act (15 U.S.C. 1012), or any other jurisdictional limitation of the Commission, the Commission shall also enforce this chapter, in the same manner provided in subparagraphs (A) and (B) of this paragraph, with respect to—

(i) organizations not organized to carry on business for their own profit or that of their members; and

(ii) the business of insurance, and persons engaged in such business.

(D) AUTHORITY PRESERVED.—Nothing in this section shall be construed to limit the authority of the Commission under any other provision of law.

(3) PENALTIES.—

(A) ADDITIONAL CIVIL PENALTY.—In addition to any penalty applicable under the Federal Trade Commission Act (15 U.S.C. 41 et seq.), any person that violates this chapter shall be liable for a civil penalty of not more than $1,000,000.

(B) METHOD.—The penalties provided by subparagraph (A) shall be obtained in the same manner as civil penalties imposed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a(1)(B).

(C) MULTIPLE OFFENSES; MITIGATING FACTORS.—In assessing a penalty under subparagraph (A)—

(i) each day of a continuing violation shall be considered a separate violation; and

(ii) the court shall take into consideration, among other factors—

(I) the seriousness of the violation;

(II) the efforts of the person committing the violation to remedy the harm caused by the violation in a timely manner; and

(III) whether the violation was intentional.

(b) ENFORCEMENT BY STATES.—

(1) IN GENERAL.—If the attorney general of a State has reason to believe that an interest of the residents of the State has been or is being threatened or adversely affected by a practice that violates this chapter, the attorney general of the State may bring a civil action on behalf of the residents of the State in an appropriate district court of the United States to obtain appropriate relief.

(2) RIGHTS OF THE COMMISSION.—

(A) NOTICE TO THE COMMISSION.—

(i) IN GENERAL.—Except as provided in clause (iii), the attorney general of a State, before initiating a civil action under paragraph (1), shall provide written notification to the Commission that the attorney general intends to bring such civil action.

(ii) CONTENTS.—The notification required under clause (i) shall include a copy of the complaint to be filed to initiate the civil action.

(iii) EXCEPTION.—If it is not feasible for the attorney general of a State to provide the notification required under clause (i) before initiating a civil action under paragraph (1), the attorney general shall notify the Commission immediately upon instituting the civil action.

(B) INTERVENTION BY THE COMMISSION.—The Commission may—

(i) intervene in any civil action brought by the attorney general of a State under paragraph (1); and

(ii) upon intervening—

(I) be heard on all matters arising in the civil action; and

(II) file petitions for appeal of a decision in the civil action.

(3) CONSTRUCTION.—

(A) POWERS CONFERRED ON THE ATTORNEY GENERAL OF A STATE.—Nothing in this subsection may be construed to prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of the State to conduct investigations, to administer oaths or affirmations, or to compel the attendance of witnesses or the production of documentary or other evidence.

(B) ERISA.—No civil action brought pursuant to this subsection shall conflict with the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

(4) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in—

(i) the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code; or

(ii) another court of competent jurisdiction.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1), process may be served in any district in which—

(i) the defendant is an inhabitant, may be found, or transacts business; or

(ii) venue is proper under section 1391 of title 28, United States Code.

(5) ACTIONS BY OTHER STATE OFFICIALS.—

(A) IN GENERAL.—If an attorney general lacks appropriate jurisdiction to bring a civil action under paragraph (1), any other officer of a State who is authorized by the State to do so may bring a civil action under paragraph (1), subject to the same requirements and limitations that apply under this subsection to civil actions brought by attorneys general.

(B) CLARIFICATION OF AUTHORITY.—The authority provided by subparagraph (A) shall supplant, and not supplement, the authorities of State attorneys general under paragraph (1).

(C) SAVINGS PROVISION.—Nothing in this subsection may be construed to prohibit an authorized official of a State from initiating or continuing any proceeding in a court of the State for a violation of any civil or criminal law of the State.

(c) AFFIRMATIVE DEFENSE.—

(1) IN GENERAL.—In an action brought under this section to enforce section ___01, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the conduct alleged to be a violation of section ___01 was nonpretextual and reasonably necessary to—

(A) prevent a violation of, or comply with, Federal or State law;

(B) protect patient safety; or

(C) protect patient access.

(2) CLARIFICATION.—Nothing in this subsection shall be construed to prohibit a defendant from raising any other affirmative defense available.

SEC. ___06. PROTECTION OF PERSONAL HEALTH INFORMATION.

In making any disclosure or report required by this chapter, a pharmacy benefit manager (including their affiliates, subsidiaries, and agents) shall not include any information that would identify a patient or a provider that issued a prescription.

SEC. ___07. EFFECT ON STATE LAWS.

Nothing in this chapter shall be construed to preempt, displace, or supplant any State laws, rules, regulations, or requirements, or the enforcement thereof.

SEC. ___08. DEFINITIONS.

In this chapter:

(1) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(2) COVERED INDIVIDUAL.—The term ''covered individual'' means a current or former employee, contractor, subcontractor, service provider, or agent of a pharmacy benefit manager, health plan, pharmaceutical manufacturer, pharmacy, or any affiliate, subsidiary, or agent thereof.

(3) HEALTH PLAN.—The term ''health plan'' means any group or individual health insurance plan or coverage, including any health insurance plan or coverage sponsored or funded by the Federal Government or the government of any State, Territory, or subdivision thereof.

(4) PHARMACY BENEFIT MANAGER.—The term ''pharmacy benefit manager'' means any entity that provides pharmacy benefit management services on behalf of a health plan, a payer, or health insurance issuer.

(5) PHARMACY BENEFIT MANAGEMENT SERVICES.—The term ''pharmacy benefit management services'' means, pursuant to a written agreement with a payer or health plan offering group or individual health insurance coverage, directly or through an intermediary, the service of—

(A) negotiating terms and conditions, including rebates and price concessions, with respect to a prescription drug on behalf of the health plan, coverage, or payer; or

(B) managing the prescription drug benefits provided by the health plan, coverage, or payer, which may include formulary management the processing and payment of claims for prescription drugs, the performance of drug utilization review, the processing of drug prior authorization requests, the adjudication of appeals or grievances related to the prescription drug benefit, contracting with network pharmacies, or the provision of related services.

(6) PRESCRIPTION DRUG.—The term ''prescription drug'' means—

(A) a drug, as that term is defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)), that is—

(i) approved by the Food and Drug Administration under section 505 of such Act (21 U.S.C. 355); and

(ii) subject to the requirements of section 503(b)(1) of such Act (21 U.S.C. 353(b)(1));

(B) a biological product as that term is defined in section 351 of the Public Health Service Act (42 U.S.C. 262(i)(1)); or

(C) a product that is biosimilar to, or interchangeable with, a biologic product under section 351 of the Public Health Service Act (42 U.S.C. 262(i)).

SA 2790. Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of 71104, add the following:

(b) EFFECTIVE DATE CHANGE.—Section 1902(ww)(1) of the Social Security Act (42 U.S.C. 1396a(ww)(1)), as added by this section, is amended, in the matter preceding subparagraph (A), by striking ''January 1, 2028'' and inserting ''January 1, 2027''.

SA 2791. Ms. CANTWELL (for herself, Mr. VAN HOLLEN, Mr. KELLY, and Mr. PADILLA) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 40005 and insert the following:

SEC. 40005. NASA PROGRAMS, MISSIONS, AND FACILITIES.

(a) IN GENERAL.—Chapter 203 of title 51, United States Code, is amended by adding at the end the following:

''§ 20306. Special appropriations for NASA programs, missions, and facilities

''(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $9,995,000,000, to remain available until September 30, 2032, to use as follows:

''(1) $500,000,000 for the Mars Sample Return Mission, as described in section 432(3)(C) of the National Aeronautics and Space Administration Transition Authorization Act of 2017 (51 U.S.C. 20302 note; Public Law 115–10), with not less than $200,000,000 to be obligated not later than fiscal year 2026.

''(2) $2,100,000,000 to meet the requirements of section 20302(a) using the program of record known, as of the date of the enactment of this section, as 'Gateway', and as described in section 10811(b)(2)(B)(iv) of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20302 note; Public Law 117–167), of which not less than $650,000,000 shall be obligated for each of fiscal years 2026, 2027, and 2028.

''(3) $4,100,000,000 for expenses related to meeting the requirements of section 10812 of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20301; Public Law 117–167) for the procurement, transportation, integration, operation, and other necessary expenses of the Space Launch System for Artemis Missions IV and V, of which not less than $1,025,000,000 shall be obligated for each of fiscal years 2026, 2027, 2028, and 2029.

''(4) $20,000,000 for expenses related to the continued procurement of the multi-purpose crew vehicle described in section 303 of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18323), known as the 'Orion', for use with the Space Launch System on the Artemis IV Mission and reuse in subsequent Artemis Missions, of which not less than $20,000,000 shall be obligated not later than fiscal year 2026.

''(5) $1,250,000,000 for expenses related to the operation of the International Space Station and for the purpose of meeting the requirement under section 503(a) of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18353(a)), of which not less than $250,000,000 shall be obligated for such expenses for each of fiscal years 2025, 2026, 2027, 2028, and 2029.

''(6) $325,000,000 to fulfill contract number 80JSC024CA002 issued by the National Aeronautics and Space Administration on June 26, 2024.

''(7) $210,000,000 for the Earth Science Division of the Science Mission Directorate, which shall be obligated not later than fiscal year 2026 as follows:

''(A) $33,700,000 shall be obligated for the development, operation, and other necessary expenses for the Atmosphere Observing System (AOS) – Sky mission.

''(B) $123,000,000 shall be obligated for the development, operation, and other necessary expenses for the Surface Biology Geology mission.

''(C) $16,200,000 shall be obligated for the continued operation and other necessary expenses for the Aqua mission.

''(D) $16,100,000 shall be obligated for the continued operation and other necessary expenses for the Terra mission.

''(E) $21,000,000 shall be obligated for Earth Science Research and Analysis activities.

''(8) $289,500,000 for the Planetary Science Division of the Science Mission Directorate, which shall be obligated not later than fiscal year 2026 as follows:

''(A) $24,000,000 shall be obligated for the continued operation and other necessary expenses of the Mars Atmosphere and Volatile EvolutioN mission.

''(B) $8,100,000 shall be obligated for the continued operation and other necessary expenses of the Juno mission.

''(C) $116,400,000 shall be obligated for the development and other necessary expenses of the Deep Atmosphere Venus Investigation of Noble gases, Chemistry, and Imaging mission.

''(D) $104,900,000 shall be obligated for the development and other necessary expenses of the Venus Emissivity, Radio Science, InSAR, Topography, and Spectroscopy mission.

''(E) $36,100,000 shall be obligated for Planetary Science Research and Analysis activities.

''(9) $106,500,000 for the Astrophysics Division of the Science Mission Directorate, which shall be obligated not later than fiscal year 2026 as follows:

''(A) $50,000,000 shall be obligated for the continued operation and other necessary expenses of the Science Activation program.

''(B) $50,000,000 shall be obligated for the continued operation and other necessary expenses of the Balloon Project program.

''(C) $6,500,000 shall be obligated for Astrophysics Science Research and Analysis activities.

''(10) $7,000,000 for the Heliophysics Division of the Science Mission Directorate, which shall be obligated not later than fiscal year 2026 for Heliophysics Science Research and Analysis activities.

''(11) $27,700,000 for the Space Technology Mission Directorate, which shall be obligated not later than fiscal year 2026 as follows:

''(A) $17,500,000 shall be obligated for the continued development and other necessary expenses for the Nuclear Electric Propulsion program.

''(B) $10,200,000 shall be obligated for awards under Small Business Innovation Research Program and the Small Business Technology Program, as described in section 9 of the Small Business Act (15 U.S.C. 638).

''(12) $65,000,000 for the Aeronautics Research Mission Directorate, which shall be obligated not later than fiscal year 2026 for the continued development and other necessary expenses of the Electrified Powertrain Flight Demonstration (EPFD) project.

''(13) $950,000,000, of which $750,000,000 shall be obligated not later than fiscal year 2026, for construction, revitalization, recapitalization, or other infrastructure projects and improvements at all 10 field centers of the Administration, including their supporting facilities and the Jet Propulsion Laboratory Federally funded research and development center. The allocation of appropriated funds among centers shall be consistent with the

National Aeronautics and Space Administration Real Property Capital Plan for fiscal years 2026 through 2030, dated June 4, 2025.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 203 of title 51, United States Code, is amended by adding at the end the following:

''20306. NASA programs, missions, and facilities.''.

SA 2792. Ms. BALDWIN submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70109 and insert the following:

SEC. _____. REINSTATEMENT OF DEDUCTION FOR PERSONAL CASUALTY LOSS.

(a) IN GENERAL.—Section 165(h) is amended by striking paragraph (5).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. _____. EXTENSION OF AMENDED RETURN WINDOW FOR PERSONAL CASUALTY LOSS.

(a) IN GENERAL.—In the case of a taxpayer who filed a return for a taxable year ending before January 1, 2022, with respect to which a deduction could have been taken by the taxpayer under section 165(h) of the Internal Revenue Code of 1986 but for the fact that such deduction was suspended at the time of filing—

(1) the period of limitation prescribed by section 6511(a) of such Code for any such taxable year shall be extended until the date prescribed by law (including extensions) for filing the return of tax for the taxable year that includes the date of the enactment of this Act; and

(2) section 6511(b)(2) of such Code shall not apply to any claim of credit or refund with respect to such return.

(b) EXTENSION RESTRICTED TO CASUALTY LOSS DEDUCTION.—Subsection (a) shall apply only with respect to amendments to the return of tax and claims for credit or refund of a taxpayer to the extent such amendments or claims relate to the deduction for casualty losses under section 165(h) of the Internal Revenue Code of 1986.

SA 2793. Mr. WELCH (for himself, Mr. LEE, and Mr. HICKENLOOPER) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70604.

SA 2794. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 824, line 1, strike ''$46,550,000,000'' and insert ''$46,412,000,000''.

On page 835, between lines 5 and 6, insert the following:

SEC. 90008. OFFICE OF THE IMMIGRATION DETENTION OMBUDSMAN.

In addition to amounts otherwise available, there is appropriated to the Office of the Immigration Detention Ombudsman for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $138,000,000, to accommodate increased workload expected to result from recent Executive orders and changes to immigration policies and programs: *Provided*, That the Office of the Immigration Detention Ombudsman shall maintain its independence and oversight functions, which are vital to monitoring and investigating complaints.

SA 2795. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 90003, add at the end the following new subsection:

(d) BUY AMERICAN COMPLIANCE.—Funds appropriated by this section for detention capacity shall be expended in compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act'').

SA 2796. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 90004(b), add at the end the following: ''Funds appropriated by subsection (a) for procurement shall be expended in compliance with chapter 83 of title 41, United States Code (commonly known as the 'Buy American Act').''.

SA 2797. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 90007, add at the end the following: ''Such funds shall be expended in compliance with chapter 83 of title 41, United States Code (commonly known as the 'Buy American Act').''.

SA 2798. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 90001, insert '', which shall be incurred in compliance with chapter 83 of title 41, United States Code (commonly known as the 'Buy American Act')'' after ''wall system''.

SA 2799. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

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

SEC. 90008. RESTRICTING THE DETENTION OR REMOVAL OF UNITED STATES PERSONS FROM THE UNITED STATES.

None of the funds made available under this subtitle may be used to detain or remove any United States person from the United States.

SA 2800. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

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

SEC. 90008. APPROPRIATION FOR THE OFFICE FOR CIVIL RIGHTS AND CIVIL LIBERTIES.

In addition to amounts otherwise available, there is appropriated to the Office for Civil Rights and Civil Liberties for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $5,000,000, to remain available until September 30, 2030, to ensure no actions are taken by the Department of Homeland Security to detain or remove any United States person from the United States.

SA 2801. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 899, line 11, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—Subject to subsection (b), in addition

On page 904, between lines 16 and 17, insert the following:

(b) IDENTIFICATION REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), none of the funds appropriated under subsection (a) may be used for immigration enforcement purposes unless all sworn law enforcement officers engaged in immigration enforcement operations clearly identify themselves as law enforcement, visibly display their name or other individual unique identifier and the name of their Federal agency, and provide a warrant when required.

(2) EXCEPTION.—The requirement set forth in paragraph (1) shall not apply to officers who are conducting undercover activities in the regular performance of their duties.

On page 904, line 19, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—Subject to subsection (b), in addition

On page 909, between lines 15 and 16, insert the following:

(b) IDENTIFICATION REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), none of the funds appropriated under subsection (a) may be used for immigration enforcement purposes unless all sworn law enforcement officers engaged in immigration enforcement operations clearly identify themselves as law enforcement, visibly display their name or other individual unique identifier and the name of their Federal agency, and provide a warrant when required.

(2) EXCEPTION.—The requirement set forth in paragraph (1) shall not apply to officers who are conducting undercover activities in the regular performance of their duties.

On page 910, line 15, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—Subject to subsection (b), in addition

On page 916, between lines 16 and 17, insert the following:

(b) IDENTIFICATION REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), none of the funds appropriated under subsection (a) may be used for immigration enforcement purposes unless all sworn law enforcement officers engaged in immigration enforcement operations clearly identify themselves as law enforcement, visibly display their name or other individual unique identifier and the name of their Federal agency, and provide a warrant when required.

(2) EXCEPTION.—The requirement set forth in paragraph (1) shall not apply to officers who are conducting undercover activities in the regular performance of their duties.

On page 919, between lines 2 and 3, insert the following:

(e) IDENTIFICATION REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), none of the funds appropriated under this section may be used for immigration enforcement purposes unless all sworn law enforcement officers engaged in immigration enforcement operations clearly identify themselves as law enforcement, visibly display their name or other individual unique identifier and the name of their Federal agency, and provide a warrant when required.

(2) EXCEPTION.—The requirement set forth in paragraph (1) shall not apply to officers who are conducting undercover activities in the regular performance of their duties.

SA 2802. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

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

SEC. 90008. APPROPRIATE IDENTIFICATION MARKERS FOR UNIFORMS OF ALL DEPARTMENT OF HOMELAND SECURITY LAW ENFORCEMENT OFFICERS.

(a) IN GENERAL.—In addition to any amounts otherwise available, there is appropriated to the Secretary of Homeland Security for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $75,000,000, to remain available until September 30, 2031, for the purchase of appropriate identification markers to ensure the uniforms of all Department of Homeland Security sworn law enforcement officers visibly display their name or other individual unique identifier, and the name of their Federal agency: *Provided*, That such identification markers shall be visibly displayed during operations or activities directed by the Department of Homeland Security or components of the Department unless such officers are conducting undercover activities or protective services in the regular performance of their duties.

(b) OFFSET.—The amount appropriated by section 90007 is reduced by $75,000,000.

SA 2803. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 823, line 22, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—In addition

On page 824, between lines 14 and 15, insert the following:

(b) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 825, line 19, strike ''RESTRICTION.—None'' and insert the following: ''CONDITIONS.—

(1) PROCESSING COORDINATORS.—None

On page 825, between lines 22 and 23, insert the following:

(2) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 826, after line 25, add the following:

(d) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 828, line 15, strike ''None'' and insert the following:

(1) SURVEILLANCE TOWERS.—None

On page 828, between lines 20 and 21, insert the following:

(2) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 833, between lines 8 and 9, insert the following:

(c) UNITED STATES COMPANIES.—All of the funds made available under this section for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 834, between lines 20 and 21, insert the following:

(d) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

On page 834, line 23, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—In addition

On page 835, between lines 5 and 6, insert the following:

(b) UNITED STATES COMPANIES.—All of the funds made available under subsection (a) for the procurement of infrastructure, systems, technology, upgrades, and capabilities shall be expended on goods or services provided by companies that are based in the United States.

SA 2804. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 823, line 22, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—In addition

On page 824, between lines 14 and 15, insert the following:

(b) SPENDING PLAN.—

(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Commissioner for U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under subsection (a), the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 825, between lines 22 and 23, insert the following:

(c) SPENDING PLAN.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Commissioner for U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under subsection (a), the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 826, after line 25, add the following:

(d) SPENDING PLAN.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to U.S. Immigration and Customs Enforcement for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under subsection (a), the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 829, between lines 3 and 4, insert the following:

(d) SPENDING PLAN.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Commissioner for U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain

available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under subsection (a), the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 833, between lines 8 and 9, insert the following:

(c) SPENDING PLAN.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Administrator of the Federal Emergency Management Agency for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under this section, the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 834, between lines 20 and 21, insert the following:

(d) SPENDING PLAN.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Administrator of the Federal Emergency Management Agency for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing a spending plan for funds appropriated under subsection (a).

(2) DEVELOPMENT.—Not later than 90 days before committing, obligating, or expending any amount appropriated under subsection (a), the Secretary of Homeland Security shall develop, in consultation with property owners, as appropriate, and submit to Congress, the spending plan required under paragraph (1)—

(A) to guide the expenditure of such amounts;

(B) to ensure compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''); and

(C) that includes detailed cost estimates, justifications, and timelines.

On page 834, line 23, strike ''In addition'' and insert the following:

(a) APPROPRIATION.—In addition

On page 835, line 1, strike ''$10,000,000,000'' and insert ''$9,999,700,000''.

On page 835, between lines 5 and 6, insert the following:

(b) SPENDING REPORT.—In addition to amounts otherwise available, there is appropriated to the Secretary of Homeland Security for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000, to remain available until September 30, 2026, for developing an providing to Congress a spending report documenting the use of funds appropriated under subsection (a).

SA 2805. Mr. TUBERVILLE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 619, line 18, strike ''2024'' and insert ''2025''.

SA 2806. Mr. TUBERVILLE submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 70606.

SA 2807. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of chapter 5 of subtitle A of title VII, insert the following:

SEC. 705_____. ENSURING THAT ELECTRICITY PRICES DO NOT SUBSTANTIALLY INCREASE.

(a) IN GENERAL.—On January 1 of the first calendar year beginning after the date of enactment of this Act, and annually thereafter, the Secretary of Energy shall make a determination (based on information provided by the Energy Information Administration) with respect to whether the applicable amendments have resulted in an annual increase in the average national electricity price of more than 3 percent.

(b) SUNSET.—If the Secretary of Energy determines, pursuant to subsection (a), that the applicable amendments have resulted in an annual increase in the average national electricity price described in such subsection—

(1) the applicable amendments shall be repealed, and the Internal Revenue Code of 1986 shall be applied as if such amendments had not been enacted, and

(2) with respect to any section of the Internal Revenue Code of 1986 for which an applicable amendment was repealed pursuant to paragraph (1), any termination provision which, after application of such paragraph, is otherwise applicable under such section shall be deemed to refer to the date on which the Secretary of Energy determines that the annual increase in the average national electricity price is less than 3 percent.

(c) APPLICABLE AMENDMENTS.—For purposes of this section, the term ''applicable amendments'' means the amendments made to the Internal Revenue Code of 1986 under—

(1) sections 70505 through 70508 of this Act, and

(2) section 70512 through 70515 of this Act.

SA 2808. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 40008.

SA 2809. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 1181(3) of title 14, United States Code, as added by section 40001, strike ''$266,000,000'' and insert ''$242,000,000''.

In section 40008, insert '', except for $24,000,000 of the unobligated balance of amounts appropriated or otherwise made available by such section 40004, which shall be used for a Phased Array Radar Test Article'' after ''rescinded''.

SA 2810. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. SUPPORT FOR STOCK ASSESSMENTS BY NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

There is appropriated to the National Oceanic and Atmospheric Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $500,000,000 for vessel acquisition and maintenance to support fisheries stock assessments.

SA 2811. Mr. MARKEY (for himself, Mr. BOOKER, and Ms. DUCKWORTH) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 60026.

SA 2812. Ms. COLLINS proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

At the appropriate place, insert the following:

SEC. _____. 39.6 PERCENT INCOME TAX RATE BRACKET.

(a) IN GENERAL.—Section 1(j)(2) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) 39.6 PERCENT RATE BRACKET.—Notwithstanding subparagraphs (A) through (E), in prescribing the tables under this subsection for purposes of paragraph (3)(B)—

''(i) the excess, if any, of taxable income over—

''(I) $50,000,000, in the case of married individuals filing joint returns and surviving spouses, and

''(II) $25,000,000, in any other case,

shall be taxed at a rate of 39.6 percent, and

''(ii) paragraph (3)(B)(i) shall be applied with respect to such $50,000,000 and $25,000,000 amounts by substituting '2025' for '2017'.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. _____. MODIFICATIONS TO RURAL HEALTH TRANSFORMATION PROGRAM.

(a) ADDITIONAL FUNDING.—Section 2105(h)(1)(A) of the Social Security Act, as added by section 71401(a), is amended—

(1) in clause (i), by striking ''$10,000,000,000'' and inserting ''$22,500,000,000''; and

(2) in clause (ii), by striking ''$10,000,000,000'' and inserting ''$22,500,000,000''.

(b) HEALTH CARE PROVIDERS.—Section 2105(h) of the Social Security Act, as added by section 71401(a) and amended by subsection (a), is amended—

(1) in paragraph (6)(B), by striking ''health care providers,'' and inserting ''rural health facilities (as defined in paragraph (3)(D)) or health care providers described in paragraph (7), or'';

(2) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(3) by inserting after paragraph (6) the following:

''(7) HEALTH CARE PROVIDERS.—The following health care providers are described in this paragraph:

''(A) A hospital classified as a rural referral center under section 1886(d)(5)(C).

''(B) A long-term care hospital (as defined in section 1861(ccc)).

''(C) A hospital operated by an Indian Tribe or the Indian Health Service.

''(D) A provider of ambulance services.

''(E) A community health center.

''(F) A provider or supplier that is enrolled with a State Medicaid plan under title XIX (or a waiver of such plan) in accordance with subsections (a)(77) and (kk) of section 1902 (including enrolled pursuant to section 1902(a)(78) or section 1932(d)(6)) that received funds as a rural provider under the Phase Four distribution of the Provider Relief Fund established in the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136).

''(G) A provider or supplier that is enrolled with a State Medicaid plan under title XIX (or a waiver of such plan) in accordance with subsections (a)(77) and (kk) of section 1902 (including enrolled pursuant to section 1902(a)(78) or section 1932(d)(6)) that received funds under section 1150C.

''(H) A hospital that—

''(i) is located in an urban area (as defined in section 1886(d)(2)(D)); and

''(ii) operates 1 or more approved medical residency training program under section 1886(h).

''(I) A not-for-profit hospital that is located in an urban area (as defined in section 1886(d)(2)(D)).

''(J) A hospital described in section 1886(d)(1)(B)(ii).

''(K) A hospital described in section 1886(d)(1)(B)(v).

''(L) A hospital that is defined or deemed to be a disproportionate share hospital for purposes of receiving a payment adjustment under section 1923 for the most recent fiscal year for which such payment adjustments are made.

''(M) A facility that provides inpatient or outpatient rehabilitation services that is enrolled with a State Medicaid plan under title XIX (or a waiver of such plan) in accordance with subsections (a)(77) and (kk) of section 1902 (including enrolled pursuant to section 1902(a)(78) or section 1932(d)(6)).

''(N) A facility that provides inpatient or outpatient psychiatric services (including an inpatient psychiatric hospital for individuals under age 21 (as described in section 1905(h)) or an institution for mental diseases providing medical assistance under a State Medicaid plan under title XIX (or a waiver of such plan) to individuals 65 years of age or older) that is enrolled with a State Medicaid plan under title XIX (or a waiver of such plan) in accordance with subsections (a)(77) and (kk) of section 1902 (including enrolled pursuant to section 1902(a)(78) or section 1932(d)(6)).

''(O) A facility described in section 1905(d).

''(P) A facility that provides for individuals with intellectual or developmental disabilities—

''(i) services described in section 433.56(a)(4) of title 42, Code of Federal Regulations; or

''(ii) home and community-based services authorized under subsections (b), (c), (i), (j), or (k) of section 1915, section 1115, or a State plan amendment under title XIX that supports individuals with intellectual or developmental disabilities who are eligible for such services through meeting an institutional level of care.

''(Q) A skilled nursing facility (as defined in section 1819(a)).

''(R) A nursing facility (as defined in section 1919(a)).

''(S) An assisted living or residential care facility that is enrolled with a State Medicaid plan under title XIX (or a waiver of such plan) in accordance with subsections (a)(77) and (kk) of section 1902 (including enrolled pursuant to section 1902(a)(78) or section 1932(d)(6)).

''(T) A provider of home health care services.

''(U) A provider of hospice care.

''(V) An institution for mental diseases (as defined in section 1905(i)).

''(W) A subsection (d) hospital (as defined in paragraph (1)(B) of section 1886(d)) that receives or is eligible to receive disproportionate share hospital payments under paragraph (5)(F) of such section.

''(X) A hospital participating in the Rural Community Hospital (RCH) demonstration program under section 410A of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

''(Y) A community behavioral health provider who relies heavily on payments provided under a State Medicaid plan under title XIX or a waiver of such plan.''.

SA 2813. Mr. MORENO submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. MODIFICATION OF PROCEDURE FOR INSPECTION OF ARRIVING ALIENS.

Section 235(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1225(b)(1)) is amended—

(1) in subparagraph (A)(i), by striking ''unless the alien indicates either an intention to apply for asylum under section 208 or a fear of persecution''; and

(2) in subparagraph (B)—

(A) in clause (i), by striking ''other place designated by the Attorney General'' and inserting ''other place outside the United States designated by the Secretary of Homeland Security'';

(B) in clause (ii), by striking ''shall be detained'' and inserting ''shall remain outside the United States''; and

(C) in clause (iii)—

(i) in subclause (I), by striking ''shall order the alien removed from the United States without further hearing or review'' and inserting ''shall not permit the alien to enter the United States''; and

(ii) by striking subclause (IV).

SA 2814. Mrs. BLACKBURN (for herself, Ms. CANTWELL, Ms. COLLINS, Mr. MERKLEY, Mr. MARSHALL, and Mr. BLUMENTHAL) proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H; as follows:

Strike section 40012.

SA 2815. Mrs. BLACKBURN submitted an amendment intended to be proposed to amendment SA 2602 submitteded by Mrs. BLACKBURN (for herself and Mr. CRUZ) and intended to be proposed to the amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

Subtitle B—Kids Online Safety Act

SECTION 40101. SHORT TITLE.

This subtitle may be cited as the ''Kids Online Safety Act''.

CHAPTER 1—KIDS ONLINE SAFETY

SEC. 40201. DEFINITIONS.

In this chapter:

(1) CHILD.—The term ''child'' means an individual who is under the age of 13.

(2) COMPULSIVE USAGE.—The term ''compulsive usage'' means a persistent and repetitive use of a covered platform that significantly impacts one or more major life activities of an individual, including socializing, sleeping, eating, learning, reading, concentrating, communicating, or working.

(3) COVERED PLATFORM.—

(A) IN GENERAL.—The term ''covered platform'' means an online platform, online video game, messaging application, or video streaming service that connects to the internet and that is used, or is reasonably likely to be used, by a minor.

(B) EXCEPTIONS.—The term ''covered platform'' does not include—

(i) an entity acting in its capacity as a provider of—

(I) a common carrier service subject to the Communications Act of 1934 (47 U.S.C. 151 et seq.) and all Acts amendatory thereof and supplementary thereto;

(II) a broadband internet access service (as such term is defined for purposes of section 8.1(b) of title 47, Code of Federal Regulations, or any successor regulation);

(III) an email service;

(IV) a teleconferencing or video conferencing service that allows reception and transmission of audio or video signals for real-time communication, provided that—

(aa) the service is not an online platform; and

(bb) the real-time communication is initiated by using a unique link or identifier to facilitate access; or

(V) a wireless messaging service, including such a service provided through short messaging service or multimedia messaging service protocols, that is not a component of, or linked to, an online platform and where the predominant or exclusive function is direct messaging consisting of the transmission of text, photos or videos that are sent by electronic means, where messages are transmitted from the sender to a recipient, and are not posted within an online platform or publicly;

(ii) an organization not organized to carry on business for its own profit or that of its members;

(iii) any public or private—

(I) early childhood education program or preschool that provides for the care, development, and education of infants, toddlers, or young children who are not yet enrolled in kindergarten;

(II) elementary school (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) or secondary school (as so defined);

(III) school providing career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302));

(IV) school providing adult education and literacy activities (as defined in section 203 of the Adult Education and Family Literacy Act (29 U.S.C. 3272)); or

(V) institution of higher education (as defined in section 101, and subparagraphs (A) and (B) of section 102(a)(1), of the Higher Education Act of 1965 (20 U.S.C. 1001, 1002(a)(1)));

(iv) a library (as defined in section 213 of the Library Services and Technology Act (20 U.S.C. 9122));

(v) a news or sports coverage website or app where—

(I) the inclusion of video content on the website or app is related to the website or app's own gathering, reporting, or publishing of news content or sports coverage; and

(II) the website or app is not otherwise an online platform;

(vi) a product or service that primarily functions as business-to-business software, such as a cloud storage, file sharing, or file collaboration service;

(vii) a virtual private network or similar service that exists predominantly to route internet traffic between locations; or

(viii) a government entity with a .gov internet domain (as described in section 2215 of the Homeland Security Act of 2002 (6 U.S.C. 665)).

(4) DESIGN FEATURE.—The term ''design feature'' means any feature or component of a covered platform that will encourage or increase the frequency, time spent, or activity of minors on the covered platform. Design features include but are not limited to—

(A) infinite scrolling or auto play;

(B) rewards or incentives based on the frequency, time spent, or activity of minors on the covered platform;

(C) notifications and push alerts;

(D) badges or other visual award symbols based on the frequency, time spent, or activity of minors on the covered platform;

(E) personalized design features;

(F) in-game purchases; or

(G) appearance altering filters.

(5) GEOLOCATION.—The term ''geolocation'' has the meaning given the term ''geolocation information'' in section 1302 of the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501), as added by section 40301(a).

(6) KNOW OR KNOWS.—The term ''know'' or ''knows'' means to have actual knowledge or knowledge fairly implied on the basis of objective circumstances.

(7) MICROTRANSACTION.—

(A) IN GENERAL.—The term ''microtransaction'' means a purchase made in an online video game (including a purchase made using a virtual currency that is purchasable or redeemable using cash or credit or that is included as part of a paid subscription service).

(B) INCLUSIONS.—Such term includes a purchase involving surprise mechanics, new characters, or in-game items.

(C) EXCLUSIONS.—Such term does not include—

(i) a purchase made in an online video game using a virtual currency that is earned through gameplay and is not otherwise purchasable or redeemable using cash or credit or included as part of a paid subscription service; or

(ii) a purchase of additional levels within the game or an overall expansion of the game.

(8) MINOR.—The term ''minor'' means an individual who is under the age of 17.

(9) NARCOTIC DRUG.—The term ''narcotic drug'' has the meaning given such term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(10) ONLINE PLATFORM.—

(A) IN GENERAL.—The term ''online platform'' means any public-facing website, online service, online application, or mobile application that predominantly provides a community forum for user-generated content, such as sharing videos, images, games, audio files, or other content, including a social media service, social network, or virtual reality environment.

(B) INCIDENTAL CHAT FUNCTIONS.—A website, online service, online application, or mobile application is not an online platform solely on the basis that it includes a chat, comment, or other interactive function that is incidental to its predominant purpose.

(11) ONLINE VIDEO GAME.—The term ''online video game'' means a video game, including an educational video game, that connects to the internet and that allows a user to—

(A) create and upload content other than content that is incidental to gameplay, such as character or level designs created by the user, preselected phrases, or short interactions with other users;

(B) engage in microtransactions within the game; or

(C) communicate with other users.

(12) PARENT.—The term ''parent'' includes a legal guardian.

(13) PERSONAL DATA.—The term ''personal data'' has the same meaning as the term ''personal information'' as defined in section 1302 of the Children's Online Privacy Protection Act (15 U.S.C. 6501).

(14) PERSONALIZED DESIGN FEATURE.—The term ''personalized design feature'' means a fully or partially automated system, including a recommendation system, that is based on the collection of personal data of users and that encourages or increases the frequency, time spent, or activity of minors on the covered platform.

(15) PERSONALIZED RECOMMENDATION SYSTEM.—The term ''personalized recommendation system'' means a fully or partially automated system used to suggest, promote, or rank content, including other users, hashtags, or posts, based on the personal data of users. A recommendation system that suggests, promotes, or ranks content based solely on the user's language, city or town, or age shall not be considered a personalized recommendation system.

(16) SEXUAL EXPLOITATION AND ABUSE.—The term ''sexual exploitation and abuse'' means any of the following:

(A) Coercion and enticement, as described in section 2422 of title 18, United States Code.

(B) Child sexual abuse material, as described in sections 2251, 2252, 2252A, and 2260 of title 18, United States Code.

(C) Trafficking for the production of images, as described in section 2251A of title 18, United States Code.

(D) Sex trafficking of children, as described in section 1591 of title 18, United States Code.

(17) STATE.—The term ''State'' means each State of the United States, the District of Columbia, each commonwealth, territory, or possession of the United States, and each federally recognized Indian Tribe.

(18) USER.—The term ''user'' means, with respect to a covered platform, an individual who registers an account or creates a profile on the covered platform.

SEC. 40202. DUTY OF CARE.

(a) PREVENTION OF HARM TO MINORS.—A covered platform shall exercise reasonable care in the creation and implementation of any design feature to prevent and mitigate the following harms to minors where a reasonable and prudent person would agree that such harms were reasonably foreseeable by the covered platform and would agree that the design feature is a contributing factor to such harms:

(1) Eating disorders, substance use disorders, and suicidal behaviors.

(2) Depressive disorders and anxiety disorders when such conditions have objectively verifiable and clinically diagnosable symptoms and are related to compulsive usage.

(3) Patterns of use that indicate compulsive usage.

(4) Physical violence or online harassment activity that is so severe, pervasive, or objectively offensive that it impacts a major life activity of a minor.

(5) Sexual exploitation and abuse of minors.

(6) Distribution, sale, or use of narcotic drugs, tobacco products, cannabis products, gambling, or alcohol.

(7) Financial harms caused by unfair or deceptive acts or practices (as defined in section 5(a)(4) of the Federal Trade Commission Act (15 U.S.C. 45(a)(4))).

(b) RULES OF CONSTRUCTION.—

(1) Nothing in subsection (a) shall be construed to require a covered platform to prevent or preclude any minor from—

(A) deliberately and independently searching for, or specifically requesting, content; or

(B) accessing resources and information regarding the prevention or mitigation of the harms described in subsection (a).

(2) Nothing in this section shall be construed to allow a government entity to enforce subsection (a) based upon the viewpoint of users expressed by or through any speech, expression, or information protected by the First Amendment to the Constitution of the United States.

SEC. 40203. SAFEGUARDS FOR MINORS.

(a) SAFEGUARDS FOR MINORS.—

(1) SAFEGUARDS.—A covered platform shall provide a user or visitor that the covered platform knows is a minor with readily accessible and easy-to-use safeguards to, as applicable—

(A) limit the ability of other users or visitors to communicate with the minor;

(B) prevent other users or visitors, whether registered or not, from viewing the minor's personal data collected by or shared on the covered platform, in particular restricting public access to personal data;

(C) limit by default design features that encourage or increase the frequency, time spent, or activity of minors on the covered platform, such as infinite scrolling, auto playing, rewards for time spent on the platform, notifications, and other design features that result in compulsive usage of the covered platform by the minor;

(D) control personalized recommendation systems, including the ability for a minor to have—

(i) a prominently displayed option to opt out of such personalized recommendation systems, while still allowing the display of content based on a chronological format; and

(ii) a prominently displayed option to limit types or categories of recommendations from such systems; and

(E) restrict the sharing of the geolocation of the minor and provide notice regarding the tracking of the minor's geolocation.

(2) OPTION.—A covered platform shall provide a user that the covered platform knows is a minor with a readily accessible and easy-to-use option to limit the amount of time spent by the minor on the covered platform.

(3) DEFAULT SAFEGUARD SETTINGS FOR MINORS.—A covered platform shall provide

that, in the case of a user or visitor that the platform knows is a minor, the default setting for any safeguard described under paragraph (1) shall be the option available on the platform that provides the most protective level of control that is offered by the platform over privacy and safety for that user or visitor, unless otherwise enabled by the parent of the minor.

(b) PARENTAL TOOLS.—

(1) TOOLS.—A covered platform shall provide readily accessible and easy-to-use parental tools for parents to support a user that the platform knows is a minor with respect to the use of the platform by that user.

(2) REQUIREMENTS.—The parental tools provided by a covered platform under paragraph (1) shall include—

(A) the ability to manage a minor's privacy and account settings, including the safeguards and options established under subsection (a), in a manner that allows parents to—

(i) view the privacy and account settings; and

(ii) in the case of a user that the platform knows is a child, change and control the privacy and account settings;

(B) the ability to restrict purchases and financial transactions by the minor, where applicable; and

(C) the ability to view metrics of total time spent on the covered platform and restrict time spent on the covered platform by the minor.

(3) NOTICE TO MINORS.—A covered platform shall provide clear and conspicuous notice to a user when the tools described in this subsection are in effect and what settings or controls have been applied.

(4) DEFAULT TOOLS.—A covered platform shall provide that, in the case of a user that the platform knows is a child, the tools required under paragraph (1) shall be enabled by default.

(5) APPLICATION TO EXISTING ACCOUNTS.—If, prior to the effective date of this subsection, a covered platform provided a parent of a user that the platform knows is a child with notice and the ability to enable the parental tools described under this subsection in a manner that would otherwise comply with this subsection, and the parent opted out of enabling such tools, the covered platform is not required to enable such tools with respect to such user by default when this subsection takes effect.

(c) REPORTING MECHANISM.—

(1) REPORTING TOOLS.—A covered platform shall provide—

(A) a readily accessible and easy-to-use means for users and visitors to submit reports to the covered platform of harms to a minor on the covered platform;

(B) an electronic point of contact specific to matters involving harms to a minor; and

(C) confirmation of the receipt of such a report and, within the applicable time period described in paragraph (2), a substantive response to the individual that submitted the report.

(2) TIMING.—A covered platform shall establish an internal process to receive and substantively respond to such reports in a reasonable and timely manner, but in no case later than—

(A) 10 days after the receipt of a report, if, for the most recent calendar year, the platform averaged more than 10,000,000 active users on a monthly basis in the United States;

(B) 21 days after the receipt of a report, if, for the most recent calendar year, the platform averaged less than 10,000,000 active users on a monthly basis in the United States; and

(C) notwithstanding subparagraphs (A) and (B), if the report involves an imminent threat to the safety of a minor, as promptly as needed to address the reported threat to safety.

(d) ADVERTISING OF ILLEGAL PRODUCTS.—A covered platform shall not facilitate the advertising of narcotic drugs, cannabis products, tobacco products, gambling, or alcohol to an individual that the covered platform knows is a minor.

(e) RULES OF APPLICATION.—

(1) ACCESSIBILITY.—With respect to safeguards and parental tools described under subsections (a) and (b), a covered platform shall provide—

(A) information and control options in a clear and conspicuous manner that takes into consideration the differing ages, capacities, and developmental needs of the minors most likely to access the covered platform and does not encourage minors or parents to weaken or disable safeguards or parental tools;

(B) readily accessible and easy-to-use controls to enable or disable safeguards or parental tools, as appropriate; and

(C) information and control options in the same language, form, and manner as the covered platform provides the product or service used by minors and their parents.

(2) DARK PATTERNS PROHIBITION.—It shall be unlawful for any covered platform to design, embed, modify, or manipulate a user interface of a covered platform with the purpose or substantial effect of obscuring, subverting or impairing user autonomy, decision-making, or choice with respect to safeguards or parental tools required under this section.

(3) TIMING CONSIDERATIONS.—

(A) NO INTERRUPTION TO GAMEPLAY.—Subsections (a)(1)(C) and (b)(3) shall not require an online video game to interrupt the natural sequence of gameplay, such as progressing through game levels or finishing a competition.

(B) APPLICATION OF CHANGES TO OFFLINE DEVICES OR ACCOUNTS.—If a user's device or user account does not have access to the internet at the time of a change to parental tools, a covered platform shall apply changes the next time the device or user is connected to the internet.

(f) DEVICE OR CONSOLE CONTROLS.—

(1) IN GENERAL.—Nothing in this section shall be construed to prohibit a covered platform from integrating its products or service with, or duplicate controls or tools provided by, third-party systems, including operating systems or gaming consoles, to meet the requirements imposed under subsections (a) and (b) relating to safeguards for minors and parental tools, provided that—

(A) the controls or tools meet such requirements; and

(B) the minor or parent is provided sufficient notice of the integration and use of the parental tools.

(2) PRESERVATION OF PROTECTIONS.—In the event of a conflict between the controls or tools of a third-party system, including operating systems or gaming consoles, and a covered platform, the covered platform is not required to override the controls or tools of a third-party system if it would undermine the protections for minors from the safeguards or parental tools imposed under subsections (a) and (b).

(g) EXCEPTION.—A covered platform shall provide the safeguards and parental tools described in subsections (a) and (b) to an educational agency or institution (as defined in section 444 of the General Education Provisions Act (20 U.S.C. 1232g(a)(3))), rather than to the user or visitor, when the covered platform is acting on behalf of the educational agency or institution subject to a written contract that complies with the requirements of the Children's Online Privacy Protection Act (15 U.S.C. 6501 et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g).

(h) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

(1) prevent a covered platform from taking reasonable measures to—

(A) block, detect, or prevent the distribution of unlawful, obscene, or other harmful material to minors as described in section 40202(a); or

(B) block or filter spam, prevent criminal activity, or protect the security of a platform or service;

(2) require the disclosure of the browsing behavior, search history, messages, contact list, or other content or metadata of the communications of a minor;

(3) prevent a covered platform from using a personalized recommendation system to display content to a minor if the system only uses information on—

(A) the language spoken by the minor;

(B) the city the minor is located in; or

(C) the minor's age;

(4) prevent an online video game from disclosing a username or other user identification for the purpose of competitive gameplay or to allow for the reporting of users;

(5) prevent a covered platform from contracting or entering into an agreement with a third-party entity, whose primary or exclusive function is to provide the safeguards or parental tools required under subsections (a) and (b) or to offer similar or stronger protective capabilities for minors, to assist with meeting the requirements imposed under subsections (a) and (b); or

(6) prevent a parent or user from authorizing a third-party entity described in subparagraph (5) to implement such safeguards or parental tools or provide similar or stronger protective capabilities for minors, at the choice of the parent or user.

SEC. 40204. DISCLOSURE.

(a) NOTICE.—

(1) REGISTRATION OR PURCHASE.—Prior to registration or purchase of a covered platform by an individual that the platform knows is a minor, the platform shall provide clear, conspicuous, and easy-to-understand—

(A) notice of the policies and practices of the covered platform with respect to safeguards for minors;

(B) information about how to access the safeguards and parental tools required under section 40203; and

(C) notice about how to access the information on personalized recommendation systems required under subsection (b).

(2) NOTIFICATION.—

(A) NOTICE AND ACKNOWLEDGMENT.—In the case of an individual that a covered platform knows is a child, the platform shall provide information about the parental tools and safeguards required under section 40203 to a parent of the child and obtain verifiable consent (as defined in section 1302 of the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501)).

(B) REASONABLE EFFORT.—A covered platform shall be deemed to have satisfied the requirement described in subparagraph (A) if the covered platform is in compliance with the requirements of the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501 et seq.) to use reasonable efforts (taking into consideration available technology) to provide a parent with the information described in subparagraph (A) and to obtain verifiable consent as required.

(3) CONSOLIDATED NOTICES.—For purposes of this chapter, a covered platform may consolidate the process for providing information under this subsection and obtaining verifiable consent or the consent of the minor involved (as applicable) as required

under this subsection with the obligations of the covered platform to provide relevant notice and obtain verifiable consent under the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501 et seq.).

(4) GUIDANCE.—The Federal Trade Commission may issue guidance to assist covered platforms in complying with the specific notice requirements of this subsection.

(b) PERSONALIZED RECOMMENDATION SYSTEM.—A covered platform that operates a personalized recommendation system shall set out in its terms and conditions, in a clear, conspicuous, and easy-to-understand manner—

(1) an overview of how each personalized recommendation system is used by the covered platform to provide information to minors, including how such systems use the personal data of minors; and

(2) information about options for minors or their parents to opt out of or control the personalized recommendation system (as applicable).

(c) ADVERTISING AND MARKETING INFORMATION AND LABELS.—

(1) INFORMATION AND LABELS.—A covered platform shall provide clear, conspicuous, and easy-to-understand labels and information, which can be provided through a link to another web page or disclosure, to minors on advertisements regarding—

(A) the name of the product, service, or brand and the subject matter of an advertisement; and

(B) whether particular media displayed to the minor is an advertisement or marketing material, including disclosure of endorsements of products, services, or brands made for commercial consideration by other users of the platform.

(2) GUIDANCE.—The Federal Trade Commission may issue guidance to assist covered platforms in complying with the requirements of this subsection, including guidance about the minimum level of information and labels for the disclosures required under paragraph (1).

(d) RESOURCES FOR PARENTS AND MINORS.—A covered platform shall provide to minors and parents clear, conspicuous, easy-to-understand, and comprehensive information in a prominent location, which may include a link to a web page, regarding—

(1) the policies and practices of the covered platform with respect to safeguards for minors; and

(2) how to access the safeguards and parental tools required under section 40203.

(e) RESOURCES IN ADDITIONAL LANGUAGES.—A covered platform shall ensure, to the extent practicable, that the disclosures required by this section are made available in the same language, form, and manner as the covered platform provides any product or service used by minors and their parents.

SEC. 40205. TRANSPARENCY.

(a) IN GENERAL.—Subject to subsection (b), not less frequently than once a year, a covered platform shall issue a public report that addresses the matters in subsection (c) based on an independent, third-party audit of the covered platform with a reasonable level of assurance.

(b) SCOPE OF APPLICATION.—The requirements of this section shall apply to a covered platform if—

(1) for the most recent calendar year, the platform averaged more than 10,000,000 active users on a monthly basis in the United States; and

(2) the platform predominantly provides a community forum for user-generated content and discussion, including sharing videos, images, games, audio files, discussion in a virtual setting, or other content, such as acting as a social media platform, virtual reality environment, or a social network service.

(c) CONTENT.—

(1) TRANSPARENCY.—The public reports required of a covered platform under this section shall include—

(A) an assessment of the extent to which the platform is likely to be accessed by minors;

(B) a description of the commercial interests of the covered platform being used by minors;

(C) an accounting, based on the data held by the covered platform, of—

(i) the number of users using the covered platform that the platform knows to be minors in the United States;

(ii) the median and mean amounts of time spent on the platform by users known to be minors in the United States who have accessed the platform during the reporting year on a daily, weekly, and monthly basis; and

(iii) the amount of content being accessed by users that the platform knows to be minors in the United States that is in English, and the top 5 non-English languages used by users accessing the platform in the United States;

(D) an accounting of total reports received through the reporting mechanism described in section 40203, disaggregated by language, including English and the top 5 non-English languages used by users accessing the platform from the United States (as identified under subparagraph (C)(iii)); and

(E) an assessment of the safeguards and parental tools under section 40203, representations regarding the use of the personal data of minors, and other matters regarding compliance with this chapter.

(2) EVALUATION.—The public reports required under this section shall include—

(A) an assessment based on aggregate data on the exercise of safeguards and parental tools described in section 40203, and other competent and reliable empirical evidence;

(B) a description of whether and how the covered platform uses design features that increase, sustain, or extend the use of a product or service by a minor;

(C) a description of whether, how, and for what purpose the platform collects or processes categories of personal data, including how personal data is used to operate personalized recommendation systems related to minors;

(D) an evaluation of the efficacy of safeguards for minors and parental tools under section 40203, and any issues in delivering such safeguards and parental tools; and

(E) an assessment of differences, with respect to the matters described in subparagraphs (A) through (D), across different English and non-English languages and efficacy of safeguards in those languages.

(3) MITIGATION.—The public reports required of a covered platform under this section shall include, for English and the top 5 non-English languages used by users accessing the platform from the United States (as identified under paragraph (2)(C)(iii))—

(A) a description of the safeguards and parental tools available to minors and parents on the covered platform;

(B) a description of the prevention and mitigation measures a covered platform may take, if any, in response to the assessments conducted under paragraph (2), including steps take to provide the most protective level of control over safety by default;

(C) a description of the processes used for the creation and implementation of any design feature that will be used by minors;

(D) a description and assessment of handling reports under the requirement of section 40203(c), including the rate of response, timeliness, and substantiveness of responses; and

(E) the status of implementing prevention and mitigation measures identified in prior assessments.

(d) REASONABLE INSPECTION.—In conducting an inspection of the reasonably foreseeable risk of harm to minors under this section, an independent, third-party auditor shall—

(1) take into consideration the function of personalized recommendation systems;

(2) consult parents and youth experts, including youth and families with relevant past or current experience, public health and mental health nonprofit organizations, health and development organizations, and civil society with respect to the prevention of harms to minors;

(3) conduct research based on experiences of minors that use the covered platform, including reports under section 40203(c) and information provided by law enforcement;

(4) take account of research, including research regarding design features, marketing, or product integrity, industry best practices, or outside research;

(5) take into consideration indicia or inferences of age of users, in addition to any self-declared information about the age of users; and

(6) take into consideration differences in risk of reasonably foreseeable harms and effectiveness of safeguards across English and non-English languages.

(e) COOPERATION WITH INDEPENDENT, THIRD-PARTY AUDIT.—To facilitate the report required by subsection (c), a covered platform shall—

(1) provide or otherwise make available to the independent third-party conducting the audit all information and material in its possession, custody, or control that is relevant to the audit;

(2) provide or otherwise make available to the independent third-party conducting the audit access to all network, systems, and assets relevant to the audit; and

(3) disclose all relevant facts to the independent third-party conducting the audit, and not misrepresent in any manner, expressly or by implication, any relevant fact.

(f) PRIVACY SAFEGUARDS.—

(1) IN GENERAL.—In issuing the public reports required under this section, a covered platform shall take steps to safeguard the privacy of its users, including ensuring that data is presented in a de-identified, aggregated format such that it is not reasonably linkable to any user.

(2) RULE OF CONSTRUCTION.—This section shall not be construed to require the disclosure of information that will lead to material vulnerabilities for the privacy of users or the security of a covered platform's service or create a significant risk of the violation of Federal or State law.

(3) DEFINITION OF DE-IDENTIFIED.—As used in this subsection, the term ''de-identified'' means data that does not identify and is not linked or reasonably linkable to a device that is linked or reasonably linkable to an individual, regardless of whether the information is aggregated.

(g) LOCATION.—The public reports required under this section should be posted by a covered platform on an easy to find location on a publicly available website.

SEC. 40206. MARKET RESEARCH.

(a) PROHIBITION OF RESEARCH ON CHILDREN.—A covered platform shall not, in the case of a user or visitor that the covered platform knows is a child, conduct market or product-focused research on such child.

(b) MARKET RESEARCH ON MINORS.—A covered platform may not, in the case of a user or visitor that the online platform knows is

a minor, conduct market or product-focused research on such minor, unless the covered platform obtains verifiable parental consent (as defined in section 1302 of the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501)) prior to conducting such research on such minor.

SEC. 40207. AGE VERIFICATION STUDY AND REPORT.

(a) STUDY.—The Secretary of Commerce, in coordination with the Federal Communications Commission and the Federal Trade Commission, shall conduct a study evaluating the most technologically feasible methods and options for developing systems to verify age at the device or operating system level.

(b) CONTENTS.—Such study shall consider—

(1) the benefits of creating a device or operating system level age verification system;

(2) what information may need to be collected to create this type of age verification system;

(3) the accuracy of such systems and their impact or steps to improve accessibility, including for individuals with disabilities;

(4) how such a system or systems could verify age while mitigating risks to user privacy and data security and safeguarding minors' personal data, emphasizing minimizing the amount of data collected and processed by covered platforms and age verification providers for such a system;

(5) the technical feasibility, including the need for potential hardware and software changes, including for devices currently in commerce and owned by consumers; and

(6) the impact of different age verification systems on competition, particularly the risk of different age verification systems creating barriers to entry for small companies.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the agencies described in subsection (a) shall submit a report containing the results of the study conducted under such subsection to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives.

SEC. 40208. GUIDANCE.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Federal Trade Commission shall issue guidance to—

(1) provide information and examples for covered platforms and auditors regarding the following, with consideration given to differences across English and non-English languages—

(A) identifying design features that encourage or increase the frequency, time spent, or activity of minors on the covered platform;

(B) safeguarding minors against the possible misuse of parental tools;

(C) best practices in providing minors and parents the most protective level of control over privacy and safety;

(D) using indicia or inferences of age of users for assessing use of the covered platform by minors;

(E) methods for evaluating the efficacy of safeguards set forth in this chapter; and

(F) providing additional parental tool options that allow parents to address the harms described in section 40202(a); and

(2) outline conduct that does not have the purpose or substantial effect of subverting or impairing user autonomy, decision-making, or choice, or of causing, increasing, or encouraging compulsive usage for a minor, such as—

(A) de minimis user interface changes derived from testing consumer preferences, including different styles, layouts, or text, where such changes are not done with the purpose of weakening or disabling safeguards or parental tools;

(B) algorithms or data outputs outside the control of a covered platform; and

(C) establishing default settings that provide enhanced privacy protection to users or otherwise enhance their autonomy and decision-making ability.

(b) GUIDANCE ON KNOWLEDGE STANDARD.—Not later than 18 months after the date of enactment of this Act, the Federal Trade Commission shall issue guidance to provide information, including best practices and examples, for covered platforms to understand how the Commission would determine whether a covered platform ''had knowledge fairly implied on the basis of objective circumstances'' for purposes of this chapter.

(c) LIMITATION ON FEDERAL TRADE COMMISSION GUIDANCE.—

(1) EFFECT OF GUIDANCE.—No guidance issued by the Federal Trade Commission with respect to this chapter shall—

(A) confer any rights on any person, State, or locality; or

(B) operate to bind the Federal Trade Commission or any court, person, State, or locality to the approach recommended in such guidance.

(2) USE IN ENFORCEMENT ACTIONS.—In any enforcement action brought pursuant to this chapter, the Federal Trade Commission or a State attorney general, as applicable—

(A) shall allege a violation of a provision of this chapter; and

(B) may not base such enforcement action on, or execute a consent order based on, practices that are alleged to be inconsistent with guidance issued by the Federal Trade Commission with respect to this chapter, unless the practices are alleged to violate a provision of this chapter.

For purposes of enforcing this chapter, State attorneys general shall take into account any guidance issued by the Commission under subsection (b).

SEC. 40209. ENFORCEMENT.

(a) ENFORCEMENT BY FEDERAL TRADE COMMISSION.—

(1) UNFAIR AND DECEPTIVE ACTS OR PRACTICES.—A violation of this chapter shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) POWERS OF THE COMMISSION.—

(A) IN GENERAL.—The Federal Trade Commission (referred to in this section as the ''Commission'') shall enforce this chapter in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this chapter.

(B) PRIVILEGES AND IMMUNITIES.—Any person that violates this chapter shall be subject to the penalties, and entitled to the privileges and immunities, provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(3) AUTHORITY PRESERVED.—Nothing in this chapter shall be construed to limit the authority of the Commission under any other provision of law.

(b) ENFORCEMENT BY STATE ATTORNEYS GENERAL.—

(1) IN GENERAL.—

(A) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that a covered platform has violated or is violating section 40203, 40204, or 40205, the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States or a State court of appropriate jurisdiction to—

(i) enjoin any practice that violates section 40203, 40204, or 40205;

(ii) enforce compliance with section 40203, 40204, or 40205;

(iii) on behalf of residents of the State, obtain damages, restitution, or other compensation, each of which shall be distributed in accordance with State law; or

(iv) obtain such other relief as the court may consider to be appropriate.

(B) NOTICE.—

(i) IN GENERAL.—Before filing an action under subparagraph (A), the attorney general of the State involved shall provide to the Commission—

(I) written notice of that action; and

(II) a copy of the complaint for that action.

(ii) EXEMPTION.—

(I) IN GENERAL.—Clause (i) shall not apply with respect to the filing of an action by an attorney general of a State under this paragraph if the attorney general of the State determines that it is not feasible to provide the notice described in that clause before the filing of the action.

(II) NOTIFICATION.—In an action described in subclause (I), the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(2) INTERVENTION.—

(A) IN GENERAL.—On receiving notice under paragraph (1)(B), the Commission shall have the right to intervene in the action that is the subject of the notice.

(B) EFFECT OF INTERVENTION.—If the Commission intervenes in an action under paragraph (1), it shall have the right—

(i) to remove the action to the appropriate United States district court;

(ii) to be heard with respect to any matter that arises in that action; and

(iii) to file a petition for appeal.

(3) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this chapter shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths or affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.

(4) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Commission for violation of this chapter, no State may, during the pendency of that action, institute a separate action under paragraph (1) against any defendant named in the complaint in the action instituted by or on behalf of the Commission for that violation.

(5) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in—

(i) the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code; or

(ii) a State court of competent jurisdiction.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1) in a district court of the United States, process may be served wherever defendant—

(i) is an inhabitant; or

(ii) may be found.

(6) LIMITATION.—A violation of section 40202 shall not form the basis of liability in any action brought by the attorney general of a State under a State law.

SEC. 40210. KIDS ONLINE SAFETY COUNCIL.

(a) ESTABLISHMENT.—There is established a Kids Online Safety Council (in this section referred to as the ''Council'').

(b) DUTIES.—The duties of the Council shall be to provide reports to Congress with recommendations and advice on matters related to the safety of minors online. The matters to be addressed by the Council shall include—

(1) identifying emerging or current risks of harms to minors associated with online platforms;

(2) recommending measures and methods for assessing, preventing, and mitigating harms to minors online;

(3) recommending methods and themes for conducting research regarding online harms to minors, including in English and non-English languages; and

(4) recommending best practices and clear, consensus-based technical standards for transparency reports and audits, as required under this chapter, including methods, criteria, and scope to promote overall accountability.

(c) NUMBER AND APPOINTMENT OF MEMBERS.—The Council shall be comprised of 11 members, of whom—

(1) 3 members shall be appointed by the President, including—

(A) the Secretary of Commerce or a designee of the Secretary; and

(B) the Secretary of Health and Human Services or a designee of the Secretary;

(2) 2 members shall be appointed by the Speaker of the House of Representatives;

(3) 2 members shall be appointed by the Minority Leader of the House of Representatives;

(4) 2 members shall be appointed by the Majority Leader of the Senate; and

(5) 2 members shall be appointed by the Minority Leader of the Senate.

(d) TIMING OF APPOINTMENTS.—Each of the appointments under subsection (c) shall be made not later than 180 days after the date of the enactment of this Act.

(e) TERMS; VACANCIES.—Each member of the Council shall be appointed for the life of the Council, and a vacancy in the Council shall be filled in the manner in which the original appointment was made.

(f) CHAIRPERSON; VICE CHAIRPERSON.—The Council, once it has been fully appointed, shall select its own Chair and Vice Chair.

(g) PARTICIPATION.—The Council shall consist of 1 member from each of the following:

(1) academic experts with specific expertise in the prevention of online harms to minors;

(2) researchers with specific expertise in social media studies;

(3) parents with demonstrated experience in child online safety;

(4) youth representatives with demonstrated experience in child online safety;

(5) educators with demonstrated experience in child online safety;

(6) representatives of online platforms;

(7) representatives of online video games;

(8) State attorneys general or their designees acting in State or local government; and

(9) representatives of communities of socially disadvantaged individuals (as defined in section 8 of the Small Business Act (15 U.S.C. 637)).

(h) REPORTS.—

(1) INTERIM REPORT.—Not later than 1 year after the date of the initial meeting of the Council, the Council shall submit to Congress an interim report that includes a detailed summary of the work of the Council and any preliminary findings of the Council.

(2) FINAL REPORT.—Not later than 3 years after the date of the initial meeting of the Council, the Council shall submit to Congress a final report that includes—

(A) a detailed statement of the findings and conclusions of the Council;

(B) dissenting opinions of any member of the Council who does not support the findings and conclusions referred to in subparagraph (A); and

(C) any recommendations for legislative and administrative actions to address online safety for children and prevent harms to minors.

(i) TERMINATION.—The Council shall terminate not later than 30 days after the submission of the final report required under subsection (h)(2).

(j) NON-APPLICABILITY OF FACA.—The Kids Online Safety Council shall not be subject to chapter 10 of title 5, United States Code (commonly referred to as the ''Federal Advisory Committee Act'').

SEC. 40211. EFFECTIVE DATE.

Except as otherwise provided in this chapter, this chapter shall take effect on the date that is 18 months after the date of enactment of this Act.

SEC. 40212. RULES OF CONSTRUCTION AND OTHER MATTERS.

(a) RELATIONSHIP TO OTHER LAWS.—Nothing in this chapter shall be construed to—

(1) preempt section 444 of the General Education Provisions Act (20 U.S.C. 1232g, commonly known as the ''Family Educational Rights and Privacy Act of 1974'') or other Federal or State laws governing student privacy;

(2) preempt the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 6501 et seq.) or any rule or regulation promulgated under such Act;

(3) authorize any action that would conflict with section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)); or

(4) expand, limit the scope, or alter the meaning of section 230 of the Communications Act of 1934 (commonly known as ''section 230 of the Communications Decency Act of 1996'') (47 U.S.C. 230).

(b) DETERMINATION OF ''FAIRLY IMPLIED ON THE BASIS OF OBJECTIVE CIRCUMSTANCES''.—For purposes of enforcing this chapter, in making a determination as to whether covered platform has knowledge fairly implied on the basis of objective circumstances that a specific user is a minor, the Federal Trade Commission or a State attorney general shall rely on competent and reliable evidence, taking into account the totality of the circumstances, including whether a reasonable and prudent person under the circumstances would have known that the user is a minor.

(c) PROTECTIONS FOR PRIVACY.—Nothing in this chapter, including a determination described in subsection (b), shall be construed to require—

(1) the affirmative collection of any personal data with respect to the age of users that a covered platform is not already collecting in the normal course of business; or

(2) a covered platform to implement an age gating or age verification functionality.

(d) COMPLIANCE.—Nothing in this chapter shall be construed to restrict a covered platform's ability to—

(1) cooperate with law enforcement agencies regarding activity that the covered platform reasonably and in good faith believes may violate Federal, State, or local laws, rules, or regulations;

(2) comply with a lawful civil, criminal, or regulatory inquiry, subpoena, or summons by Federal, State, local, or other government authorities;

(3) investigate, establish, exercise, respond to, or defend against legal claims;

(4) prevent, detect, protect against, or respond to any security incident, identity theft, fraud, harassment, malicious or deceptive activity, or any illegal activities; or

(5) investigate or report those responsible for any action described in paragraph (4).

(e) APPLICATION TO VIDEO STREAMING SERVICES.—A video streaming service shall be deemed to be in compliance with this chapter if it predominantly consists of news, sports, entertainment, or other video programming content that is preselected by the provider and not user-generated, and—

(1) any chat, comment, or interactive functionality is provided incidental to, directly related to, or dependent on provision of such content; and

(2) if such video streaming service requires account owner registration and is not predominantly news or sports, the service includes the capability—

(A) to limit a minor's access to the service, which may utilize a system of age-rating;

(B) to limit the automatic playing of on-demand content selected by a personalized recommendation system for an individual that the service knows is a minor;

(C) for a parent to manage a minor's privacy and account settings, and restrict purchases and financial transactions by a minor, where applicable;

(D) to provide an electronic point of contact specific to matters described in this paragraph;

(E) to offer a clear, conspicuous, and easy-to-understand notice of its policies and practices with respect to the capabilities described in this paragraph; and

(F) when providing on-demand content, to employ measures that safeguard against serving advertising for narcotic drugs, cannabis products, tobacco products, gambling, or alcohol directly to the account or profile of an individual that the service knows is a minor.

CHAPTER 2—FILTER BUBBLE TRANSPARENCY

SEC. 40301. DEFINITIONS.

In this chapter:

(1) ALGORITHMIC RANKING SYSTEM.—The term ''algorithmic ranking system'' means a computational process, including one derived from algorithmic decision-making, machine learning, statistical analysis, or other data processing or artificial intelligence techniques, used to determine the selection, order, relative prioritization, or relative prominence of content from a set of information that is provided to a user on an online platform, including the ranking of search results, the provision of content recommendations, the display of social media posts, or any other method of automated content selection.

(2) APPROXIMATE GEOLOCATION INFORMATION.—The term ''approximate geolocation information'' means information that identifies the location of an individual, but with a precision of less than 5 miles.

(3) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(4) CONNECTED DEVICE.—The term ''connected device'' means an electronic device that—

(A) is capable of connecting to the internet, either directly or indirectly through a network, to communicate information at the direction of an individual;

(B) has computer processing capabilities for collecting, sending, receiving, or analyzing data; and

(C) is primarily designed for or marketed to consumers.

(5) INPUT-TRANSPARENT ALGORITHM.—

(A) IN GENERAL.—The term ''input-transparent algorithm'' means an algorithmic ranking system that does not use the user-specific data of a user to determine the selection, order, relative prioritization, or relative prominence of information that is furnished to such user on an online platform, unless the user-specific data is expressly provided to the platform by the user for such purpose.

(B) DATA EXPRESSLY PROVIDED TO THE PLATFORM.—For purposes of subparagraph (A),

user-specific data that is provided by a user for the express purpose of determining the selection, order, relative prioritization, or relative prominence of information that is furnished to such user on an online platform—

(i) includes user-supplied search terms, filters, speech patterns (if provided for the purpose of enabling the platform to accept spoken input or selecting the language in which the user interacts with the platform), saved preferences, the resumption of a previous search, and the current precise geolocation information that is supplied by the user;

(ii) includes the user's current approximate geolocation information;

(iii) includes data submitted to the platform by the user that expresses the user's desire to receive particular information, such as the social media profiles the user follows, the video channels the user subscribes to, or other content or sources of content on the platform the user has selected;

(iv) does not include the history of the connected device of the user, including the history of web searches and browsing, previous geographical locations, physical activity, device interaction, and financial transactions of the user; and

(v) does not include inferences about the user or the connected device of the user, without regard to whether such inferences are based on data described in clause (i) or (iii).

(6) ONLINE PLATFORM.—

(A) IN GENERAL.—Subject to subparagraph (B), the term ''online platform'' means any public-facing website, online service, online application, or mobile application that predominantly provides a community forum for user-generated content, such as sharing videos, images, games, audio files, or other content, including a social media service, social network, or virtual reality environment.

(B) SCOPE.—

(i) INCIDENTAL CHAT FUNCTIONS.—A website, online service, online application, or mobile application is not an online platform solely on the basis that it includes a chat, comment, or other interactive function that is incidental to its predominant purpose.

(ii) REVIEW SITES.—A website, online service, online application, or mobile application that has the predominant purpose of providing travel reviews is not an online platform.

(7) OPAQUE ALGORITHM.—The term ''opaque algorithm''—

(A) means an algorithmic ranking system that determines the selection, order, relative prioritization, or relative prominence of information that is furnished to such user on an online platform based, in whole or part, on user-specific data that was not expressly provided by the user to the platform for such purpose; and

(B) does not include an algorithmic ranking system used by an online platform if—

(i) the only user-specific data (including inferences about the user) that the system uses is information relating to the age of the user; and

(ii) such information is only used to restrict the access of a user to content on the basis that the individual is not old enough to access such content.

(8) PRECISE GEOLOCATION INFORMATION.—The term ''precise geolocation information'' means geolocation information that identifies the location of an individual to within a range of 5 miles or less.

(9) USER-SPECIFIC DATA.—The term ''user-specific data'' means information relating to an individual or a specific connected device that would not necessarily be true of every individual or device.

SEC. 40302. REQUIREMENT TO ALLOW USERS TO SEE UNMANIPULATED CONTENT ON INTERNET PLATFORMS.

(a) IN GENERAL.—Beginning on the date that is 1 year after the date of enactment of this Act, it shall be unlawful for any person to operate an online platform that uses an opaque algorithm unless the person complies with the requirements of subsection (b).

(b) OPAQUE ALGORITHM REQUIREMENTS.—

(1) IN GENERAL.—The requirements of this subsection with respect to a person that operates an online platform that uses an opaque algorithm are the following:

(A) The person provides users of the platform with the following notices:

(i) Notice that the platform uses an opaque algorithm that uses user-specific data to select the content the user sees. Such notice shall be presented in a clear and conspicuous manner on the platform whenever the user interacts with an opaque algorithm for the first time, and may be a one-time notice that can be dismissed by the user.

(ii) Notice, to be included in the terms and conditions of the online platform, in a clear, accessible, and easily comprehensible manner that is to be updated whenever the online platform makes a material change, of—

(I) the most salient features, inputs, and parameters used by the algorithm;

(II) how any user-specific data used by the algorithm is collected or inferred about a user of the platform, and the categories of such data;

(III) any options that the online platform makes available for a user of the platform to opt out or exercise options under subparagraph (B), modify the profile of the user or to influence the features, inputs, or parameters used by the algorithm; and

(IV) any quantities, such as time spent using a product or specific measures of engagement or social interaction, that the algorithm is designed to optimize, as well as a general description of the relative importance of each quantity for such ranking.

(B) The online platform enables users to easily switch between the opaque algorithm and an input-transparent algorithm in their use of the platform.

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to require an online platform to disclose any information, including data or algorithms—

(A) relating to a trade secret or other protected intellectual property;

(B) that is confidential business information; or

(C) that is privileged.

(3) PROHIBITION ON DIFFERENTIAL PRICING.—An online platform shall not deny, charge different prices or rates for, or condition the provision of a service or product to a user based on the user's election to use an input-transparent algorithm in their use of the platform, as provided under paragraph (1)(B).

(4) SPECIAL RULE.—Notwithstanding paragraphs (1) and (2), an online platform shall provide the notice and opt-out described in paragraphs (1) and (2) to the educational agency or institution (as defined in section 444(a)(3) of the General Education Provisions Act (20 U.S.C. 1232g(a)(3)), rather than to the user, when the online platform is acting on behalf of an educational agency or institution (as so defined), subject to a written contract that complies with the requirements of the Children's Online Privacy Protection Act of 1998 (15 U.S.C. 1232g(a)(3)) and section 444 of the General Education Provisions Act (20 U.S.C. 1232g) (commonly known as the ''Family Educational Rights and Privacy Act of 1974'').

(c) ENFORCEMENT BY FEDERAL TRADE COMMISSION.—

(1) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—A violation of this section by an operator of an online platform shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) POWERS OF COMMISSION.—

(A) IN GENERAL.—The Federal Trade Commission shall enforce this section in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this section.

(B) PRIVILEGES AND IMMUNITIES.—Any person who violates this section shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(C) AUTHORITY PRESERVED.—Nothing in this section shall be construed to limit the authority of the Commission under any other provision of law.

(d) RULE OF CONSTRUCTION TO PRESERVE PERSONALIZED BLOCKS.—Nothing in this section shall be construed to limit or prohibit an online platform's ability to, at the direction of an individual user or group of users, restrict another user from searching for, finding, accessing, or interacting with such user's or group's account, content, data, or online community.

CHAPTER 3—RELATIONSHIP TO STATE LAWS; SEVERABILITY

SEC. 40401. RELATIONSHIP TO STATE LAWS.

The provisions of this subtitle shall preempt any State law, rule, or regulation only to the extent that such State law, rule, or regulation conflicts with a provision of this subtitle. Nothing in this subtitle shall be construed to prohibit a State from enacting a law, rule, or regulation that provides greater protection to minors than the protection provided by the provisions of this subtitle.

SEC. 40402. SEVERABILITY.

If any provision of this subtitle, or an amendment made by this subtitle, is determined to be unenforceable or invalid, the remaining provisions of this subtitle and the amendments made by this subtitle shall not be affected.

SA 2816. Ms. CORTEZ MASTO (for herself, Mr. HEINRICH, Mr. SCHATZ, Ms. HIRONO, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50402(b)(2), strike subparagraph (D).

In section 50402(b)(2), redesignate subparagraphs (E) through (H) as subparagraphs (D) through (G), respectively.

In section 1706(f)(1) of the Energy Policy Act of 2005 (as added by section 50403(a)(6)), strike ''$1,000,000,000'' and insert ''$950,000,000''.

SA 2817. Mr. KIM proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

On page 712, strike line 8 and all that follows through ''revenue.'' on line 15.

SA 2818. Mr. MARKEY submitted an amendment intended to be proposed to

amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. UNCOMPENSATED CARE PAYMENT ADJUSTMENT FOR SERVICES FURNISHED BY FEDERALLY-QUALIFIED HEALTH CENTERS.

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

(1) in paragraph (3), by striking ''paragraph (4)'' and inserting ''paragraphs (4) and (5)''; and

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

''(7) UNCOMPENSATED CARE PAYMENT ADJUSTMENT.—For services furnished during fiscal year 2027 or a succeeding fiscal year, the State plan may provide an additional uncompensated care payment adjustment for services described in section 1905(a)(2)(C) furnished by a Federally-qualified health center, that is negotiated with Federally-qualified health centers in the State and reflects the costs associated with the provision of services to individuals during periods of uninsurance.''.

SA 2819. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50104(b), add at the end the following:

(6) REQUIREMENTS FOR PROCEEDING WITH EXPLORATION AND DEVELOPMENT ACTIVITIES.—No geophysical surveys, exploration activities, or development activities may occur on leases awarded under this subsection until the Director of the Congressional Budget Office, in coordination with the Secretary of Treasury and the Secretary of the Interior, has certified that at least $121,250,000 has been received by the Treasury as a result of the applicable lease sales required under this subsection.

SA 2820. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 50104.

SA 2821. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 612, strike line 13 and all that follows through page 615, line 10.

SA 2822. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. LIMITATION ON USE OF FUNDS FOR DEPLOYMENTS FOR DOMESTIC LAW ENFORCEMENT PURPOSES WITHOUT STATE CONSENT.

None of the funds appropriated by this title may be made for the deployment of members of the Armed Forces for use in, or as a support function to, domestic law enforcement purposes without a written request of the Governor of a State (or the Mayor, in the case of the District of Columbia) or the invocation of authority provided under chapter 13 of title 10, United States Code (commonly referred to as the ''Insurrection Act'').

SA 2823. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 922, between lines 2 and 3, insert the following:

SEC. 100058. LIMITATIONS ON IMMIGRATION ENFORCEMENT ACTIVITIES.

(a) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

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

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

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

(D) the Committee on Homeland Security of the House of Representatives.

(2) IMMIGRATION ENFORCEMENT ACTIVITY.—The term ''immigration enforcement activity''—

(A) means any activity that involves the direct exercise of Federal immigration authority through public-facing actions, including a patrol, stop, arrest, search, raid, interview to determine immigration status, checkpoint inspection, or the service of a judicial or administrative warrant; and

(B) does not include covert, non-public operations.

(3) OFFICER.—The term ''officer'' means—

(A) any officer or employee of U.S. Customs and Border Protection;

(B) any officer or employee of U.S. Immigration and Customs Enforcement; and

(C) any individual who has been authorized, deputized, or designated under Federal law, regulation, or agreement to perform immigration enforcement functions, including functions authorized pursuant to an agreement described in section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)) or any other delegation of authority through an agreement with the Department of Homeland Security.

(b) IDENTIFICATION REQUIREMENTS.—All public-facing immigration enforcement activities using amounts made available under this title or title IX shall be conducted by officers who are wearing clearly visible identification, which shall include–

(1) an unobscured face that is not covered by a facial covering, such as a mask or balaclava, unless such a covering is necessary to meet specific operational requirements of the enforcement action;

(2) the full name or widely recognized acronym of the officer's employing agency; and

(3) the officer's last name or unique badge or identification number, displayed on the outermost garment or gear and not obscured by tactical equipment, body armor, or accessories.

(c) COMPLIANCE AND REPORTING.—

(1) INTERNAL ACCOUNTABILITY.—The Secretary of Homeland Security shall ensure that any officer's failure to comply with the requirements under subsection (b) is subject to appropriate administrative discipline, including written reprimand, suspension, or other personnel actions consistent with agency policy and any applicable collective bargaining agreement.

(2) ANNUAL REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary of Homeland Security shall submit a report to the appropriate congressional committees that includes—

(A) the number of documented instances of noncompliance with the requirements under subsection (b); and

(B) a summary of disciplinary or remedial actions taken in response to such noncompliance.

SA 2824. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of title III, add the following:

SEC. 30005. APPROPRIATIONS FOR CALIFORNIA WILDFIRES.

In addition to amounts otherwise available, there is appropriated to the Secretary of Housing and Urban Development for fiscal year 2025, out of amounts in the Treasury not otherwise appropriated, $400,000,000 for the community development block grant program for disaster recovery, to remain available until September 30, 2029, for the wildfire recovery efforts in Los Angeles, California.

SA 2825. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50402(b)(2), strike subparagraph (H).

SA 2826. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 50101, strike subsection (a).

In section 50101, strike '', as amended by subsection (a),'' each place it appears.

In section 50101, redesignate subsections (b) through (d) as subsections (a) through (c), respectively.

Strike section 50202.

SA 2827. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike subsection (b) of section 70104.

SA 2828. Mr. PADILLA submitted an amendment intended to be proposed to

amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 507, strike lines 1 through 4 and insert the following:

SEC. 70511. TERMINATION OF CLEAN HYDROGEN PRODUCTION CREDIT.

Section 45V(c)(3)(C) is amended by striking ''January 1, 2033'' and inserting ''January 1, 2030''.

SA 2829. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title X, insert the following:

SEC. 10____. USE OF FUNDS.

None of the funds made available under this title may be used by any Federal, State, or local agency for any immigrant enforcement operation in the agriculture, restaurant, or hospitality industry that does not exclusively target violent criminals.

SA 2830. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PROHIBITION ON IMPLEMENTATION OF RULE RELATING TO THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.

With respect to the proposed rule published by the Centers for Medicare & Medicaid Services on June 25, 2025, and titled ''Patient Protection and Affordable Care Act; Marketplace Integrity and Affordability'' (90 Fed. Reg. 27074), the Secretary of Health and Human Services shall not implement, administer, or enforce the amendments made to the following sections of title 45, Code of Federal Regulations:

(1) Section 147.104(b)(2).
(2) Section 147.104(i).
(3) Section 155.20.
(4) Section 155.220(g)(2).
(5) Section 155.305.
(6) Section 155.315.
(7) Section 155.320.
(8) Section 155.305(f)(4).
(9) Section 155.320(c)(3)(III).
(10) Section 155.320(c)(5)
(11) Section 155.335.
(12) Section 155.335(j).
(13) Section 155.400.
(14) Section 155.410.
(15) Section 155.420.
(16) Section 155.420(g).
(17) Section 156.115(d).
(18) Section 156.130(e).
(19) Section 155.605(d)(2).
(20) Section 156.140.
(21) Section 156.200.
(22) Section 156.400.
(23) Section 600.5.
(24) Section 155.315(f)(7).
(25) Section 155.335(j)(4).
(26) Section 155.400(g).
(27) Section 155.410(e).
(28) Section 155.420(d)(16).
(29) Section 156.50.

SA 2831. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PROHIBITION ON IMPLEMENTATION OF RULE RELATING TO TAX WAIVERS FOR MEDICAID.

With respect to the proposed rule published by the Centers for Medicare & Medicaid Services on May 15, 2025, and titled ''Medicaid Program; Preserving Medicaid Funding for Vulnerable Populations-Closing a Health Care-Related Tax Loophole'' (90 Fed. Reg. 20578), the Secretary of Health and Human Services shall not finalize, implement, administer, or enforce the amendments made to the following sections of title 42, Code of Federal Regulations:

(1) Section 433.52.
(2) Section 433.68(e).
(3) Section 433.68(e)(3).
(4) Section 433.68(e)(4).

SA 2832. Mr. PADILLA submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REMOVAL OF SOCIAL SECURITY NUMBER REQUIREMENTS.

(a) DEDUCTION FOR SENIORS.—
(1) IN GENERAL.—Section 151(d)(5)(C), as added by this Act, is amended by striking clause (iv).
(2) MATH ERROR AUTHORITY.—Section 6213(g)(2), as amended by this Act, is further amended by striking subparagraph (W).
(b) NO TAX ON TIPS.—
(1) IN GENERAL.—Section 224, as added by this Act, is amended by striking subsection (e) and by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively.
(2) MATH ERROR AUTHORITY.—Section 6213(g)(2), as amended by this Act and subsection (a), is further amended by striking subparagraph (Y).
(c) NO TAX ON OVERTIME.—
(1) IN GENERAL.—Section 225, as added by this Act, is amended by striking subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.
(2) MATH ERROR AUTHORITY.—Section 6213(g)(2), as amended by this Act and subsections (a) and (b), is further amended by striking subparagraph (Z).
(d) TRUMP ACCOUNTS.—
(1) IN GENERAL.—Section 530A(b)(1), as added by this Act, is amended by striking subparagraph (A) and by redesignating subparagraphs (B) through (H) as subparagraphs (A) through (G), respectively.
(2) PILOT PROGRAM.—Section 6434, as added by this Act, is amended by striking subsection (d) and by redesignating subsection (e) as subsection (d).
(3) MATH ERROR AUTHORITY.—Section 6213(g)(2), as amended by this Act and subsections (a), (b), and (c), is further amended by striking subparagraph (AA).
(e) AMERICAN OPPORTUNITY AND LIFETIME LEARNING CREDITS.—The amendments made by section 70612 of this Act are repealed, and the Internal Revenue Code of 1986 shall be applied as if such amendments had not been enacted.
(f) EFFECTIVE DATE.—The repeal and amendments made by this section shall take effect as if included in the enactment of the section of this Act to which they relate.

SA 2833. Mr. MORENO submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. ENGLISH AS OFFICIAL LANGUAGE OF THE UNITED STATES.

(a) IN GENERAL.—Title 4, United States Code, is amended by adding at the end the following:

''CHAPTER 6—OFFICIAL LANGUAGE

''§ 161. Official language of the United States

''The official language of the United States is English.

''§ 162. Preserving and enhancing the role of the official language

''Representatives of the Federal Government shall have an affirmative obligation to preserve and enhance the role of English as the official language of the Federal Government. Such obligation shall include encouraging greater opportunities for individuals to learn the English language.

''§ 163. Official functions of Government to be conducted in English

''(a) SCOPE.—For the purposes of this section—

''(1) the term 'official' refers to any function that—

''(A) binds the Government;

''(B) is required by law; or

''(C) is otherwise subject to scrutiny by either the press or the public; and

''(2) the term 'United States' means the several States and the District of Columbia.

''(b) OFFICIAL FUNCTIONS.—The official functions of the Government of the United States shall be conducted in English.

''(c) PRACTICAL EFFECT.—This section—

''(1) shall apply to all laws, public proceedings, regulations, publications, orders, actions, programs, and policies; and

''(2) shall not apply to—

''(A) teaching of languages;

''(B) requirements under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

''(C) actions, documents, or policies necessary for national security, international relations, trade, tourism, or commerce;

''(D) actions or documents that protect the public health and safety;

''(E) actions or documents that facilitate the activities of the Bureau of the Census in compiling any census of population;

''(F) actions that protect the rights of victims of crimes or criminal defendants; or

''(G) using terms of art or phrases from languages other than English.

''§ 164. Uniform English language rule for naturalization

''(a) UNIFORM LANGUAGE TESTING STANDARD.—All citizens of the United States should be able to read and understand generally the English language text of the Declaration of Independence, the Constitution of the United States, and the laws of the United States made in pursuance of the Constitution of the United States.

''(b) CEREMONIES.—All naturalization ceremonies shall be conducted in English.

''§ 165. Rules of construction

''Nothing in this chapter shall be construed—

''(1) to prohibit a Member of Congress or any officer or agent of the Federal Government, while performing official functions under section 163, from communicating unofficially through any medium with another person in a language other than English (as long as official functions are performed in English);

''(2) to limit the preservation or use of Native Alaskan or Native American languages (as defined in the Native American Languages Act (25 U.S.C. 2901 et seq.));

''(3) to disparage any language or to discourage any person from learning or using a language; or

''(4) to be inconsistent with the Constitution of the United States.

''§ 166. Standing

''A person injured by a violation of this chapter may in a civil action (including an action under chapter 151 of title 28) obtain appropriate relief.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of title 4, United States Code, is amended by inserting after the item relating to chapter 5 the following:

''CHAPTER 6. OFFICIAL LANGUAGE''.

(c) GENERAL RULES OF CONSTRUCTION FOR ENGLISH LANGUAGE TEXTS OF THE LAWS OF THE UNITED STATES.—

(1) IN GENERAL.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following:

''§ 9. General rules of construction for laws of the United States

''(a) English language requirements and workplace policies, whether in the public or private sector, shall be presumptively consistent with the laws of the United States.

''(b) Any ambiguity in the English language text of the laws of the United States shall be resolved, in accordance with the last two articles of the Bill of Rights, not to deny or disparage rights retained by the people, and to reserve powers to the States respectively, or to the people.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 1, United States Code, is amended by inserting after the item relating to section 8 the following:

''9. General rules of construction for laws of the United States.''.

(d) IMPLEMENTING REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Secretary of Homeland Security shall issue for public notice and comment a proposed rule for uniform testing English language ability of candidates for naturalization, which shall be based upon the principles that—

(1) all citizens of the United States should be able to read and understand generally the English language text of the Declaration of Independence, the Constitution of the United States, and the laws of the United States which are made in pursuance thereof; and

(2) any exceptions to the standard described in paragraph (1) should be limited to extraordinary circumstances.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect on the date that is 180 days after the date of enactment of this Act.

SA 2834. Mr. MARKEY (for himself and Mr. SANDERS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. FOSSIL FUEL GIVEAWAYS.

The provisions of, and the amendments made by, sections 50101(a), 50102(d), 50103, 50202, and 50403 are repealed, and any provision of law amended or repealed by those sections shall be applied as if such amendments or repeals had not been enacted.

SA 2835. Mr. MARKEY (for himself, Ms. DUCKWORTH, Mr. BOOKER, Mr. DURBIN, Mr. MERKLEY, Mr. PADILLA, Mr. WELCH, Ms. BLUNT ROCHESTER, Mr. BLUMENTHAL, Ms. WARREN, Mr. WYDEN, Mr. VAN HOLLEN, and Mr. SCHIFF) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 60016.

SA 2836. Mr. PETERS submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 835, between lines 5 and 6, insert the following:

SEC. 90008. COMPLIANCE WITH THE BUY AMERICAN ACT.

(a) IN GENERAL.—The amounts appropriated under this title shall be expended in compliance with chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act'') and the Build America, Buy America Act (subtitle A of title IX of division G of Public Law 117–58; 41 U.S.C. 8301 note). In this title—

(1) the cost of domestic components shall equal or exceed 75 percent of the costs of all the components of an end product (as defined in section 52.225–1 of the Federal Acquisition Regulation); and

(2) the cost of domestic components shall equal or exceed 75 percent of the costs of all the components of the construction material (as defined in section 52.225–9 of the Federal Acquisition Regulation).

(b) FURTHER LIMITATION.—Amounts appropriated under this title shall not be paid to a covered foreign entity.

(c) TERMS AND CONDITIONS.—Nothing in this section may be construed to lower the percentage of domestic content mined, produced, or manufactured in the United States under chapter 83 of title 41, United States Code (commonly known as the ''Buy American Act''), the Build America, Buy America Act, or subparts 25.1 and 25.2 of the Federal Acquisition Regulation.

(d) COVERED FOREIGN ENTITY DEFINED.—The term ''covered foreign entity'' means any of the following:

(1) The Government of the People's Republic of China, the Chinese Communist Party, the People's Liberation Army, the Ministry of State Security, or other security service or intelligence agency of the People's Republic of China.

(2) The Government of the Russian Federation or any entity sanctioned by the Secretary of the Treasury under Executive Order 13662, titled ''Blocking Property of Additional Persons Contributing to the Situation in Ukraine'' (79 Fed. Reg. 16169).

(3) The Government of the Democratic People's Republic of Korea.

(4) The Government of the Islamic Republic of Iran.

(5) The government of any country if the Secretary of State determines that such government has repeatedly provided support for acts of international terrorism pursuant to any of the following:

(A) Section 1754(c)(1)(A) of the Export Control Reform Act of 2018 (50 U.S.C. 4318(c)(1)(A)).

(B) Section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

(C) Section 40 of the Arms Export Control Act (22 U.S.C. 2780).

(D) Any other provision of law.

(6) Any entity included on any of the following lists maintained by the Department of Commerce:

(A) The Entity List set forth in Supplement No. 4 to part 744 of the Export Administration Regulations.

(B) The Denied Persons List as described in section 764.3(a)(2) of the Export Administration Regulations.

(C) The Unverified List set forth in Supplement No. 6 to part 744 of the Export Administration Regulations.

(D) The Military End User List set forth in Supplement No. 7 to part 744 of the Export Administration Regulations.

(7) Any entity identified by the Secretary of Defense pursuant to section 1237(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 50 U.S.C. 1701 note).

(8) Any entity on the Non-SDN Chinese Military-Industrial Complex Companies List (NS-CMIC List) maintained by the Office of Foreign Assets Control of the Department of the Treasury under Executive Order 14032 (86 Fed. Reg. 30145; relating to addressing the threat from securities investments that finance certain companies of the People's Republic of China), or any successor order.

SA 2837. Ms. ROSEN (for herself and Ms. CORTEZ MASTO) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

On page 277, between lines 5 and 6, insert the following:

''(4) SERVICE CHARGES.—The requirements under paragraph (2)(A) shall not apply to any amount that is a service charge which is an automatic gratuity—

''(A) assessed in the case of a large dining party,

''(B) included as part of a banquet fee, or

''(C) included under any similar circumstances, but only if such service charge satisfies such other requirements as the Secretary may specify.''.

SA 2838. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. FOSSIL FUEL GIVEAWAYS.

(a) IN GENERAL.—The amendments made by sections 70514(e), 70522(b), and 70523 are repealed and the Internal Revenue Code of 1986 shall be applied as if such amendments had not been enacted.

(b) INCOME FROM CARBON CAPTURE.—Section 7704(d)(1)(E) of the Internal Revenue Code of 1986, as amended by section 70524, is amended by striking clause (iii).

SA 2839. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Beginning on page 575, strike line 24 and all that follows through page 577, line 10.

SA 2840. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 40006.

SA 2841. Mr. MARKEY submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 40006(b)(1), strike ''on the date of enactment of this section'' and insert ''subject to an analysis by the Secretary of Transportation that finds that households would not pay more in fueling costs as a result of the amendments made by subsection (a)''.

SA 2842. Mr. WARNER (for himself, Mr. KELLY, Mr. KAINE, and Mr. PETERS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

In section 40005, strike subsection (a) and insert the following:

(a) IN GENERAL.—Chapter 203 of title 51, United States Code, is amended by adding at the end the following:

''§ 20306. Special appropriations for Mars missions, Artemis missions, and Moon to Mars program

''(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $9,995,000,000, to remain available until September 30, 2032, to use as follows:

''(1) $700,000,000, to be obligated not later than fiscal year 2026, for the procurement, using a competitively bid, firm fixed-price contract with a United States commercial provider (as defined in section 50101(7)), of a high-performance Mars telecommunications orbiter—

''(A) that—

''(i) is capable of providing robust, continuous communications for—

''(I) a Mars sample return mission, as described in section 432(3)(C) of the National Aeronautics and Space Administration Transition Authorization Act of 2017 (51 U.S.C. 20302 note; Public Law 115–10); and

''(II) future Mars surface, orbital, and human exploration missions;

''(ii) supports autonomous operations, onboard processing, and extended mission duration capabilities; and

''(iii) is selected from among the commercial proposals that—

''(I) received funding from the Administration in fiscal year 2024 or 2025 for commercial design studies for Mars Sample Return; and

''(II) proposed a separate, independently launched Mars telecommunication orbiter supporting an end-to-end Mars sample return mission; and

''(B) which shall be delivered to the Administration not later than December 31, 2028.

''(2) $2,600,000,000 to meet the requirements of section 20302(a) using the program of record known, as of the date of the enactment of this section, as 'Gateway', and as described in section 10811(b)(2)(B)(iv) of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20302 note; Public Law 117–167), of which not less than $750,000,000 shall be obligated for each of fiscal years 2026, 2027, and 2028.

''(3) $4,100,000,000 for expenses related to meeting the requirements of section 10812 of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20301; Public Law 117–167) for the procurement, transportation, integration, operation, and other necessary expenses of the Space Launch System for Artemis Missions IV and V, of which not less than $1,025,000,000 shall be obligated for each of fiscal years 2026, 2027, 2028, and 2029.

''(4) $20,000,000 for expenses related to the continued procurement of the multi-purpose crew vehicle described in section 303 of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18323), known as the 'Orion', for use with the Space Launch System on the Artemis IV Mission and reuse in subsequent Artemis Missions, of which not less than $20,000,000 shall be obligated not later than fiscal year 2026.

''(5) $1,250,000,000 for expenses related to the operation of the International Space Station and for the purpose of meeting the requirement under section 503(a) of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18353(a)), of which not less than $250,000,000 shall be obligated for such expenses for each of fiscal years 2025, 2026, 2027, 2028, and 2029.

''(6) $1,000,000,000 for infrastructure improvements at the manned spaceflight centers of the Administration, of which not less than—

''(A) $120,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 12641 (53 Fed. Reg. 18816; relating to designating certain facilities of the National Aeronautics and Space Administration in the State of Mississippi as the John C. Stennis Space Center);

''(B) $250,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 11129 (28 Fed. Reg. 12787; relating to designating certain facilities of the National Aeronautics and Space Administration and of the Department of Defense, in the State of Florida, as the John F. Kennedy Space Center);

''(C) $300,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in the Joint Resolution entitled 'Joint Resolution to designate the Manned Spacecraft Center in Houston, Texas, as the ''Lyndon B. Johnson Space Center'' in honor of the late President', approved February 17, 1973 (Public Law 93–8; 87 Stat. 7);

''(D) $100,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 10870 (25 Fed. Reg. 2197; relating to designating the facilities of the National Aeronautics and Space Administration at Huntsville, Alabama, as the George C. Marshall Space Flight Center); and

''(E) $30,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the Michoud Assembly Facility in New Orleans, Louisiana.

''(7) $325,000,000 to fulfill contract number 80JSC024CA002 issued by the National Aeronautics and Space Administration on June 26, 2024.

''(b) OBLIGATION OF FUNDS.—Funds appropriated under subsection (a) shall be obligated as follows:

''(1) Not less than 50 percent of the total funds in subsection (a) shall be obligated not later than September 30, 2028.

''(2) 100 percent of funds shall be obligated not later than September 30, 2029.

''(3) All associated outlays shall occur not later than September 30, 2034.''.

SA 2843. Mr. YOUNG submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. EXEMPTION OF QUALIFIED RELIGIOUS INSTITUTIONS.

(a) IN GENERAL.—Section 4968(c), as amended by this Act, is further amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by adding at the end the following new paragraph:

''(5) which is not a qualified religious institution.''.

(b) QUALIFIED RELIGIOUS INSTITUTION.—Section 4968, as amended by this Act, is further amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) QUALIFIED RELIGIOUS INSTITUTION.—For purposes of subsection (c)(5), the term 'qualified religious institution' means any institution—

''(1) which was established after July 4, 1776,

''(2) which was established by or in association with an organization described in section 170(b)(1)(A)(i), and—

''(A) at least 25 percent of the members of the highest governing body of which are either—

''(i) appointed by such organization, or

''(ii) required under the governing documents of the institution to be clerical members of such organization,

''(B) which is party to a formal written agreement with such organization that expressly acknowledges the institution's historical and ongoing relationship with the organization, and sets forth shared commitments relating to institutional mission, values, or engagement with the religious traditions of the organization, or

''(C) which is formally designated as a religious institution by the governing body of such organization based on an evaluation of the institution's alignment with the organization's religious identity, values, or educational mission, and

''(3) which maintains a published institutional mission which is approved by the governing body of such institution and which includes, refers to, or is predicated upon religious tenets, beliefs, or teachings.

Not later than December 31, 2025, the Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this subsection.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SA 2844. Mr. SCOTT of South Carolina (for himself and Mr. TILLIS) submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title VII, insert the following:

SEC. _____. ELIGIBILITY THRESHOLD FOR OPPORTUNITY ZONES.

(a) IN GENERAL.—Section 1400Z-1(c)(1)(A), as amended by this Act, is amended by striking ''70 percent'' both places it appears and inserting ''75 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to areas designated under section 1400Z-1 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

SEC. _____. TREATMENT OF CERTAIN EXCESS PLAN ASSETS.

(a) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

(1) IN GENERAL.—Section 420 is amended by adding at the end the following new subsection:

''(h) TRANSFER OF EXCESS HEALTH ASSETS FOR FUNDING ACTIVE EMPLOYEE BENEFITS.—

''(1) IN GENERAL.—In the case of a pension plan with excess health assets for a fiscal year—

''(A) an amount equal to such excess health assets may be transferred in accordance with paragraph (3) from a health benefits account established under section 401(h),

''(B) a trust which is part of such plan shall not be treated as failing to meet the requirements of subsection (a) or (h) of section 401 solely by reason of such transfer (or any other action authorized under this subsection),

''(C) no amount shall be includible in the gross income of the employer maintaining the plan solely by reason of such transfer,

''(D) such transfer shall not be treated—

''(i) as an employer reversion for purposes of section 4980, or

''(ii) as a prohibited transaction for purposes of section 4975, and

''(E) the limitations of paragraph (4) shall apply to the employer.

''(2) EXCESS HEALTH ASSETS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'excess health assets' means the amount by which the applicable assets with respect to a retiree health plan exceed an amount equal to 125 percent of the total liability of the employer for benefits for all participants under the retiree health plan, determined in accordance with applicable accounting standards.

''(B) LIMITATION.—In determining excess health assets, there shall not be taken into account—

''(i) amounts attributable to contributions (other than transfers under any other subsection of this section, or contributions made pursuant to a legally binding commitment entered into before January 1, 2024) made after December 31, 2023, to any health benefits account established under section 401(h) with respect to the retiree health plan, or

''(ii) any reduction in the liability of the employer described in subparagraph (A) due to a reduction in benefits pursuant to an amendment to the retiree health plan adopted after December 31, 2023.

''(C) TERMINATING PLANS.—In the case of a terminating pension plan which includes a health benefits account under section 401(h), all assets in such health benefits account shall be treated as excess health assets.

''(D) APPLICABLE ASSETS.—For purposes of subparagraph (A), the term 'applicable assets' means all assets with respect to a retiree health benefits plan of an employer—

''(i) in a health benefits account established under section 401(h), or

''(ii) held by a voluntary employees' beneficiary association (as defined in section 501(c)(9)).

''(3) TRANSFERS PERMITTED.—

''(A) IN GENERAL.—A transfer under this paragraph is a transfer—

''(i) of excess health assets, in the fiscal year immediately succeeding the fiscal year with respect to which such excess health assets are determined—

''(I) to the pension plan under which a health benefits account pursuant to section 401(h) was established, or

''(II) as provided in subparagraph (B)(ii), to a voluntary employees' beneficiary association (as defined in section 501(c)(9)),

''(ii) which does not contravene any other provision of law,

''(iii) with respect to which the use requirements of subparagraphs (B) and (C) and the minimum cost and benefit requirements of paragraph (4)(B) are met, and

''(iv) with respect to which the vesting requirements of subsection (c)(2) are met (determined by treating such transfer as a qualified transfer).

''(B) USE FOR ACTIVE BENEFITS.—

''(i) IN GENERAL.—Except as provided in clause (ii), a transfer of excess health assets for purposes of this subsection shall be used only to fund the pension plan.

''(ii) TRANSFER TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION.—A transfer described in subparagraph (A)(i)(II) may be made only—

''(I) in the case of a defined benefit plan, to the extent a transfer to such plan as provided in subparagraph (A)(i)(I) would cause the plan to have a funding excess or increase the funding excess of the plan or, if the transfer is made in connection with the termination of the defined benefit plan, to the extent a transfer to such plan would exceed the amount necessary to satisfy the pension liabilities of the terminating plan, or

''(II) in the case of a pension plan which is not a defined benefit plan.

Any transfer under the preceding sentence to a voluntary employees' benefit association (as defined in section 501(c)(9)) shall be used only to pay any benefits permitted to be paid by such association to any members of such association (other than key employees not taken into account under subsection (e)(1)(E)).

''(iii) FUNDING EXCESS.—For purposes of clause (ii), the term 'funding excess' with respect to a plan year means the excess, if any, of—

''(I) the fair market value of the assets of the defined benefit plan (other than applicable assets, as defined in paragraph (2)(D)), over

''(II) 110 percent of the present value of all pension benefits earned or accrued under the plan, as determined for purposes of determining the adjusted funding target attainment percentage pursuant to section 436(j).

''(C) ONLY 1 TRANSFER PER YEAR.—No more than 1 transfer with respect to any plan may be made under subparagraph (A) during a taxable year. For purposes of the preceding sentence, any transfer portions of which are described in both subclauses (I) and (II) of subparagraph (A)(i) shall be treated as 1 transfer.

''(4) LIMITATIONS ON EMPLOYER.—

''(A) DEDUCTION LIMITATIONS.—For purposes of this title, no deduction shall be allowed—

''(i) for the transfer of any amount under paragraph (3)(A),

''(ii) for benefits paid out of the assets (and income) so transferred, or

''(iii) for any amounts to which clause (ii) does not apply and which are paid for benefits described in paragraph (3)(B)(ii) for the taxable year to the extent such amounts are not greater than the excess (if any) of—

''(I) the amount determined under clause (i) (and income allocable thereto), over

''(II) the amount determined under clause (ii).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—Each plan or arrangement under which benefits funded as described in paragraph (3)(B)(ii) are provided shall provide that—

''(i) the applicable employer cost for each of the 5 taxable years beginning with the year of the transfer under paragraph (3)(A) shall not be materially less than the higher of the applicable employer costs for the year of the 2 taxable years immediately preceding the taxable year of such transfer, or

''(ii) benefits provided under the plan or arrangement shall not be materially reduced during the 5 year period described in clause (i).

For purposes of clause (i), the term 'applicable employer cost' shall be determined under rules similar to the rules of subparagraphs (B) and (C) of subsection (c)(3), as applicable to the benefit being provided under such plan or arrangement.

''(5) COORDINATION WITH SECTIONS 430 AND 433.—In the case of any assets transferred to a pension plan pursuant to paragraph (3), such assets shall, for purposes of this section and sections 430 and 433, be treated as assets in the plan.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (h) of section 401 is amended by adding at the end the following: ''Nothing in this subsection or this section shall prevent a plan from transferring amounts from an account established under this subsection pursuant to the provisions of section 420(h).''.

(B) Subparagraph (B) of section 420(c)(1) is amended by adding at the end the following new clause:

''(iii) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—Clauses (i) and (ii) shall not apply to the amount of any excess health assets transferred from a health benefits account to the plan pursuant to subsection (h)(3)(A).''.

(C) Subsection (e) of section 420 is amended by adding at the end the following new paragraph:

''(8) COORDINATION WITH TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) IN GENERAL.—A qualified transfer or portion thereof shall not be subject to the limitations of subsections (b)(3), (c)(1), (f)(2)(C), or (f)(2)(E) to the extent an amount equal to such transfer (or portion) is transferred during the same taxable year under subsection (h).

''(B) MINIMUM COST AND BENEFIT REQUIREMENTS.—The requirements of subsection (h)(4)(B) shall apply in lieu of subsections (c)(3) and (f)(2)(D) in the case of a transfer or portion thereof to which subparagraph (A) applies.''.

(D) Subsection (l) of section 430 is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) shall be treated as assets in the plan.''.

(E) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) is amended by adding at the end the following new subsection:

''(d) TRANSFERS OF EXCESS HEALTH ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of any transfer made as permitted by section 420(h) of the Internal Revenue Code of 1986.''.

(F) Section 303(l) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(l)) is amended by adding at the end the following: ''Notwithstanding the preceding sentence, any assets transferred to the plan pursuant to section 420(h) of such Code shall be treated as assets in the plan.''.

(G) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)) is amended by striking the period at the end and inserting '', or any transfer of excess health assets permitted under section 420(h) of such Code (as in effect on the date of the enactment of the Strengthening Benefit Plans Act of 2025).''.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)) is amended by adding at the end the following new paragraph:

''(4) TRANSFERS OF EXCESS HEALTH ASSETS.—

''(A) NOTICE TO PARTICIPANTS.—Not later than 60 days before the date of a transfer by an employee pension benefit plan of excess health assets pursuant to section 420(h)(1) of the Internal Revenue Code of 1986, the administrator of the plan shall provide notice (in such manner as the Secretary may prescribe) of such transfer to each participant and beneficiary eligible to receive benefits paid from the health benefits account under section 401(h) of such Code from which the transfer is to be made. Such notice shall include information with respect to the amount of excess health assets to be transferred, the plan or voluntary employees' beneficiary association to which the transfer is to be made, and the amount of pension benefits of the participant which will be nonforfeitable immediately after the transfer.

''(B) NOTICE TO SECRETARIES, ETC.—Rules similar to the rules of paragraph (2) shall apply for purposes of this paragraph.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2024.

(b) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

(1) IN GENERAL.—Section 401 is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) TRANSFER OF SURPLUS DEFINED BENEFIT PLAN ASSETS TO DEFINED CONTRIBUTION PLAN.—

''(1) IN GENERAL.—

''(A) TRANSFER PERMITTED.—If an employer maintaining a defined benefit plan establishes or maintains a defined contribution plan which would be a qualified replacement plan (as defined in section 4980(d)(2)) with respect to the defined benefit plan but for the fact that the defined benefit plan is not terminated, subject to the requirements of paragraphs (3) and (4), any surplus assets of the defined benefit plan may be transferred to the defined contribution plan.

''(B) TREATMENT OF AMOUNT TRANSFERRED.—In the case of the transfer of any amount under subparagraph (A)—

''(i) such amount shall not be includible in the gross income of the employer,

''(ii) no deduction shall be allowable with respect to such transfer, and

''(iii) such transfer shall not be treated as an employer reversion for purposes of section 4980.

''(2) SURPLUS ASSETS.—For purposes of this subsection, the term 'surplus assets' means the excess of assets of the defined benefit plan over an amount equal to 110 percent of the value of plan liabilities used to determine premiums imposed under title IV of the Employee Retirement Income Security Act of 1974 for the plan year of the transfer.

''(3) VESTING OF BENEFITS.—The requirements of this paragraph are met if all benefits under the defined benefit plan become nonforfeitable in the same manner which would be required if the plan had terminated immediately before the transfer (or in the case of a participant who separated during the 1-year period ending on the date of the transfer, immediately before such separation).

''(4) NO REDUCTION IN BENEFITS.—The requirements of this paragraph are met if, during the period beginning with the year of the transfer and ending 4 plan years after the last plan year during which the replacement plan is funded by the transfer, no benefits under the replacement plan are reduced.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(e) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—A pension plan shall not be treated as failing to meet the requirements of this subchapter solely by reason of any transfer made as permitted by section 401(p) of the Internal Revenue Code of 1986.''.

(B) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)), as amended by subsection (a), is further amended by inserting ''or of surplus defined benefit plan assets permitted under section 401(p) of such Code (as so in effect)'' before the period at the end.

(3) NOTICE REQUIREMENTS.—Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

''(5) TRANSFERS OF SURPLUS DEFINED BENEFIT PLAN ASSETS.—Rules similar to the rules of paragraph (4) shall apply in the case of any transfer by an employee pension benefit plan of surplus defined benefit plan assets pursuant to section 401(p) of the Internal Revenue Code of 1986.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years beginning after December 31, 2025.

SA 2845. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the end of section 40007, insert the following:

SEC. 40007A. USE OF REVENUES FROM LEASE PAYMENTS FROM METROPOLITAN WASHINGTON AIRPORTS FOR AVIATION SAFETY IMPROVEMENTS AND OTHER PURPOSES.

(a) IN GENERAL.—Section 49104(b) of title 49, United States Code, as amended by section 40007, is amended by striking paragraph (2) and inserting the following new paragraph:

''(2) FUNDING FOR AVIATION SAFETY IMPROVEMENTS.—

''(A) IN GENERAL.—In order to carry out the purposes described in subparagraph (B), in addition to amounts otherwise made available, there is appropriated to the Secretary of Transportation, out of any money in the Treasury not otherwise appropriated for fiscal year 2025, $63,000,000, to remain available until September 30, 2029.

''(B) PURPOSES DESCRIBED.—The purposes described in this subparagraph are the following:

''(i) To implement preliminary and final recommendations on any safety measures directed by the National Transportation Safety Board and the Secretary relating to the tragic mid-air collision between American Airlines Flight 5342 and United States Army Aviation Brigade Priority Air Transport 25 on January 29, 2025.

''(ii) To establish a permanent memorial for victims of such tragic mid-air collision and to provide for maintenance of such memorial.

''(iii) Subject to subparagraph (C), to undertake projects directly related to the safety and security of airports under the jurisdiction of the Airports Authority.

''(C) REQUIREMENTS.—In undertaking the projects under subparagraph (B)(iii), the Secretary, working with the Airports Authority, shall prioritize projects that improve safety for all current flight service located at Ronald Reagan Washington Airport, including non-stop Part 121 flight service between Ronald Reagan Washington Airport and the airports primarily serving the following localities:

''(i) Birmingham, AL.
''(ii) Huntsville, AL.
''(iii) Montgomery, AL.
''(iv) Fayetteville, AR.
''(v) Little Rock, AR.
''(vi) Daytona Beach, FL.
''(vii) Orlando, FL.
''(viii) Panama City, FL.
''(ix) Pensacola, FL.
''(x) Sarasota, FL.
''(xi) Tallahassee, FL.
''(xii) Tampa, FL.
''(xiii) West Palm Beach, FL.
''(xiv) Fort Lauderdale, FL.
''(xv) Fort Myers, FL.
''(xvi) Fort Walton, FL.
''(xvii) Jacksonville, FL.
''(xviii) Key West, FL.
''(xix) Miami, FL.
''(xx) Cedar Rapids, IA.
''(xxi) Des Moines, IA.
''(xxii) Indianapolis, IN.
''(xxiii) Wichita, KS.
''(xxiv) Lexington, KY.
''(xxv) Louisville, KY.
''(xxvi) Baton Rouge, LA.
''(xxvii) New Orleans, LA.
''(xxviii) Bangor, ME.
''(xxix) Portland, ME.
''(xxx) Grand Rapids, MI.
''(xxxi) Lansing, MI.
''(xxxii) Traverse City, MI.
''(xxxiii) Kansas City, MO.
''(xxxiv) St. Louis, MO.
''(xxxv) Jackson, MS.
''(xxxvi) Omaha, NE.
''(xxxvii) Asheville, NC.
''(xxxviii) Charlotte, NC.
''(xxxix) Greensboro, NC.
''(xl) Raleigh, NC.
''(xli) Wilmington, NC.
''(xlii) Newark, NJ.
''(xliii) Akron/Canton, OH.
''(xliv) Cincinnati, OH.
''(xlv) Cleveland, OH.
''(xlvi) Columbus, OH.
''(xlvii) Dayton, OH.
''(xlviii) Oklahoma City, OK.
''(xlix) Tulsa, OK.
''(l) Philadelphia, PA.
''(li) Pittsburgh, PA.
''(lii) Providence, RI.
''(liii) Charleston, SC.
''(liv) Columbia, SC.
''(lv) Greenville, SC.
''(lvi) Hilton Head Island, SC.

''(lvii) Myrtle Beach, SC.
''(lviii) Memphis, TN.
''(lix) Chattanooga, TN.
''(lx) Knoxville, TN.
''(lxi) Nashville, TN.
''(lxii) Austin, TX.
''(lxiii) Dallas/Ft. Worth, TX.
''(lxiv) Dallas-Love Field, TX.
''(lxv) Houston-Bush, TX.
''(lxvi) Houston-Hobby, TX.
''(lxvii) Salt Lake City, UT.
''(lxviii) Norfolk, VA.
''(lxix) Burlington, VT.
''(lxx) Seattle, WA.
''(lxxi) Madison, WI.
''(lxxii) Milwaukee, WI.
''(lxxiii) Charleston, WV.''.

(b) REDUCTION IN OTHER FUNDING.—Section 20306(a) of title 51, United States Code, as added by section 40005(a), is amended—

(1) in the matter preceding paragraph (1), by striking ''$9,995,000,000'' and inserting ''$9,910,000,000''; and

(2) in paragraph (6)—

(A) in the matter preceding subparagraph (A), by striking ''$1,000,000,000'' and inserting ''$915,000,000''; and

(B) in subparagraph (F)—

(i) by striking ''$85,000,000'' and inserting ''$0''; and

(ii) by striking ''$5,000,000'' and inserting ''$0''.

SA 2846. Mr. WELCH submitted an amendment intended to be proposed to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

Strike section 71203, and insert the following:

SEC. 71203. DELAY OF MODIFICATION OF COST SHARING REQUIREMENTS FOR CERTAIN EXPANSION INDIVIDUALS UNDER THE MEDICAID PROGRAM.

(a) IN GENERAL.—Section 1916 of the Social Security Act (42 U.S.C. 1396o), as amended by section 71122, is further amended by striking ''October 1, 2028'' each place it appears and inserting ''October 1, 2032''.

(b) MEDICARE IMPROVEMENT FUND.—Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking ''$1,804,000,000'' and inserting ''$1,788,000,000''.

SA 2847. Mr. WARNER proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

At the end of section 40007, insert the following:

SEC. 40007A. USE OF REVENUES FROM LEASE PAYMENTS FROM METROPOLITAN WASHINGTON AIRPORTS FOR AVIATION SAFETY IMPROVEMENTS AND OTHER PURPOSES.

(a) IN GENERAL.—Section 49104(b) of title 49, United States Code, as amended by section 40007, is amended by striking paragraph (2) and inserting the following new paragraph:

''(2) FUNDING FOR AVIATION SAFETY IMPROVEMENTS.—

''(A) IN GENERAL.—In order to carry out the purposes described in subparagraph (B), in addition to amounts otherwise made available, there is appropriated to the Secretary of Transportation, out of any money in the Treasury not otherwise appropriated for fiscal year 2025, $63,000,000, to remain available until September 30, 2029.

''(B) PURPOSES DESCRIBED.—The purposes described in this subparagraph are the following:

''(i) To implement preliminary and final recommendations on any safety measures directed by the National Transportation Safety Board and the Secretary relating to the tragic mid-air collision between American Airlines Flight 5342 and United States Army Aviation Brigade Priority Air Transport 25 on January 29, 2025.

''(ii) To establish a permanent memorial for victims of such tragic mid-air collision and to provide for maintenance of such memorial.

''(iii) Subject to subparagraph (C), to undertake projects directly related to the safety and security of airports under the jurisdiction of the Airports Authority.

''(C) REQUIREMENTS.—In undertaking the projects under subparagraph (B)(iii), the Secretary, working with the Airports Authority, shall prioritize projects that improve safety for all current flight service located at Ronald Reagan Washington Airport, including non-stop Part 121 flight service between Ronald Reagan Washington Airport and the airports primarily serving the following localities:

''(i) Birmingham, AL.
''(ii) Huntsville, AL.
''(iii) Montgomery, AL.
''(iv) Fayetteville, AR.
''(v) Little Rock, AR.
''(vi) Daytona Beach, FL.
''(vii) Orlando, FL.
''(viii) Panama City, FL.
''(ix) Pensacola, FL.
''(x) Sarasota, FL.
''(xi) Tallahassee, FL.
''(xii) Tampa, FL.
''(xiii) West Palm Beach, FL.
''(xiv) Fort Lauderdale, FL.
''(xv) Fort Myers, FL.
''(xvi) Fort Walton, FL.
''(xvii) Jacksonville, FL.
''(xviii) Key West, FL.
''(xix) Miami, FL.
''(xx) Cedar Rapids, IA.
''(xxi) Des Moines, IA.
''(xxii) Indianapolis, IN.
''(xxiii) Wichita, KS.
''(xxiv) Lexington, KY.
''(xxv) Louisville, KY.
''(xxvi) Baton Rouge, LA.
''(xxvii) New Orleans, LA.
''(xxviii) Bangor, ME.
''(xxix) Portland, ME.
''(xxx) Grand Rapids, MI.
''(xxxi) Lansing, MI.
''(xxxii) Traverse City, MI.
''(xxxiii) Kansas City, MO.
''(xxxiv) St. Louis, MO.
''(xxxv) Jackson, MS.
''(xxxvi) Omaha, NE.
''(xxxvii) Asheville, NC.
''(xxxviii) Charlotte, NC.
''(xxxix) Greensboro, NC.
''(xl) Raleigh, NC.
''(xli) Wilmington, NC.
''(xlii) Newark, NJ.
''(xliii) Akron/Canton, OH.
''(xliv) Cincinnati, OH.
''(xlv) Cleveland, OH.
''(xlvi) Columbus, OH.
''(xlvii) Dayton, OH.
''(xlviii) Oklahoma City, OK.
''(xlix) Tulsa, OK.
''(l) Philadelphia, PA.
''(li) Pittsburgh, PA.
''(lii) Providence, RI.
''(liii) Charleston, SC.
''(liv) Columbia, SC.
''(lv) Greenville, SC.
''(lvi) Hilton Head Island, SC.
''(lvii) Myrtle Beach, SC.
''(lviii) Memphis, TN.
''(lix) Chattanooga, TN.
''(lx) Knoxville, TN.
''(lxi) Nashville, TN.
''(lxii) Austin, TX.
''(lxiii) Dallas/Ft. Worth, TX.
''(lxiv) Dallas-Love Field, TX.
''(lxv) Houston-Bush, TX.
''(lxvi) Houston-Hobby, TX.
''(lxvii) Salt Lake City, UT.
''(lxviii) Norfolk, VA.
''(lxix) Burlington, VT.
''(lxx) Seattle, WA.
''(lxxi) Madison, WI.
''(lxxii) Milwaukee, WI.
''(lxxiii) Charleston, WV.''.

(b) REDUCTION IN OTHER FUNDING.—Section 20306(a) of title 51, United States Code, as added by section 40005(a), is amended—

(1) in the matter preceding paragraph (1), by striking ''$9,995,000,000'' and inserting ''$9,910,000,000''; and

(2) in paragraph (6)—

(A) in the matter preceding subparagraph (A), by striking ''$1,000,000,000'' and inserting ''$915,000,000''; and

(B) in subparagraph (F)—

(i) by striking ''$85,000,000'' and inserting ''$0''; and

(ii) by striking ''$5,000,000'' and inserting ''$0''.

SA 2848. Mr. GRAHAM proposed an amendment to amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

H.R. 1 AMENDMENT 2848

Strike all after the first word, and insert the following:

1. SHORT TITLE.

This Act may be cited as the ''One Big Beautiful Bill Act''

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SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

(a) IN GENERAL.—Section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) is amended by striking subsection (u) and inserting the following:

''(u) THRIFTY FOOD PLAN.—

''(1) IN GENERAL.—The term 'thrifty food plan' means the diet required to feed a family of 4 persons consisting of a man and a woman ages 20 through 50, a child ages 6 through 8, and a child ages 9 through 11 using the items and quantities of food described in the report of the Department of Agriculture entitled 'Thrifty Food Plan, 2021', and each successor report updated pursuant to this subsection, subject to the conditions that—

''(A) the relevant market baskets of the thrifty food plan shall only be changed pursuant to paragraph (4);

''(B) the cost of the thrifty food plan shall be the basis for uniform allotments for all households, regardless of the actual composition of the household; and

''(C) the cost of the thrifty food plan may only be adjusted in accordance with this subsection.

''(2) HOUSEHOLD ADJUSTMENTS.—The Secretary shall make household adjustments using the following ratios of household size as a percentage of the maximum 4-person allotment:

''(A) For a 1-person household, 30 percent.
''(B) For a 2-person household, 55 percent.
''(C) For a 3-person household, 79 percent.
''(D) For a 4-person household, 100 percent.
''(E) For a 5-person household, 119 percent.
''(F) For a 6-person household, 143 percent.
''(G) For a 7-person household, 158 percent.
''(H) For an 8-person household, 180 percent.
''(I) For a household of 9 persons or more, an additional 22 percent per person, which additional percentage shall not total more than 200 percent.

''(3) ALLOWABLE COST ADJUSTMENTS.—The Secretary shall—

''(A) make cost adjustments in the thrifty food plan for Hawaii and the urban and rural parts of Alaska to reflect the cost of food in Hawaii and urban and rural Alaska;

''(B) make cost adjustments in the separate thrifty food plans for Guam and the Virgin Islands of the United States to reflect the cost of food in those States, but not to exceed the cost of food in the 50 States and the District of Columbia; and

''(C) on October 1, 2025, and on each October 1 thereafter, adjust the cost of the thrifty food plan to reflect changes in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor, for the most recent 12-month period ending in June.

''(4) RE-EVALUATION OF MARKET BASKETS.—

''(A) RE-EVALUATION.—Not earlier than October 1, 2027, the Secretary may re-evaluate the market baskets of the thrifty food plan based on current food prices, food composition data, consumption patterns, and dietary guidance.

''(B) COST NEUTRALITY.—The Secretary shall not increase the cost of the thrifty food plan based on a re-evaluation under this paragraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 16(c)(1)(A)(ii)(II) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(1)(A)(ii)(II)) is amended by striking ''section 3(u)(4)'' and inserting ''section 3(u)(3)''.

(2) Section 19(a)(2)(A)(ii) of the Food and Nutrition Act of 2008 (7 U.S.C. 2028(a)(2)(A)(ii)) is amended by striking ''section 3(u)(4)'' and inserting ''section 3(u)(3)''.

(3) Section 27(a)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)(2))) is amended by striking ''section 3(u)(4)'' each place it appears and inserting ''section 3(u)(3)''.

SEC. 10102. MODIFICATIONS TO SNAP WORK REQUIREMENTS FOR ABLE-BODIED ADULTS.

(a) EXCEPTIONS.—Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended by striking paragraph (3) and inserting the following:

''(3) EXCEPTIONS.—Paragraph (2) shall not apply to an individual if the individual is—

''(A) under 18, or over 65, years of age;

''(B) medically certified as physically or mentally unfit for employment;

''(C) a parent or other member of a household with responsibility for a dependent child under 14 years of age;

''(D) otherwise exempt under subsection (d)(2);

''(E) a pregnant woman;

''(F) an Indian or an Urban Indian (as such terms are defined in paragraphs (13) and (28) of section 4 of the Indian Health Care Improvement Act); or

''(G) a California Indian described in section 809(a) of the Indian Health Care Improvement Act.''.

(b) STANDARDIZING ENFORCEMENT.—Section 6(o)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)(4)) is amended—

(1) in subparagraph (A), by striking clause (ii) and inserting the following:

''(ii) is in a noncontiguous State and has an unemployment rate that is at or above 1.5 times the national unemployment rate.''; and

(2) by adding at the end the following:

''(C) DEFINITION OF NONCONTIGUOUS STATE.—

''(i) IN GENERAL.—In this paragraph, the term 'noncontiguous State' means a State that is not 1 of the contiguous 48 States or the District of Columbia.

''(ii) EXCLUSIONS.—The term 'noncontiguous State' does not include Guam or the Virgin Islands of the United States.''.

(c) WAIVER FOR NONCONTIGUOUS STATES.—Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended—

(1) by redesignating paragraph (7) as paragraph (8); and

(2) by inserting after paragraph (6) the following:

''(7) EXEMPTION FOR NONCONTIGUOUS STATES.—

''(A) DEFINITION OF NONCONTIGUOUS STATE.—

''(i) IN GENERAL.—In this paragraph, the term 'noncontiguous State' means a State that is not 1 of the contiguous 48 States or the District of Columbia.

''(ii) EXCLUSIONS.—In this paragraph, the term 'noncontiguous State' does not include Guam or the Virgin Islands of the United States.

''(B) EXEMPTION.—Subject to subparagraph (D), the Secretary may exempt individuals in a noncontiguous State from compliance with the requirements of paragraph (2) if—

''(i) the State agency submits to the Secretary a request for that exemption, made in such form and at such time as the Secretary may require, and including the information described in subparagraph (C); and

''(ii) the Secretary determines that based on that request, the State agency is demonstrating a good faith effort to comply with the requirements of paragraph (2).

''(C) GOOD FAITH EFFORT DETERMINATION.—In determining whether a State agency is demonstrating a good faith effort for purposes of subparagraph (B)(ii), the Secretary shall consider—

''(i) any actions taken by the State agency toward compliance with the requirements of paragraph (2);

''(ii) any significant barriers to or challenges in meeting those requirements, including barriers or challenges relating to funding, design, development, procurement, or installation of necessary systems or resources;

''(iii) the detailed plan and timeline of the State agency for achieving full compliance with those requirements, including any milestones (as defined by the Secretary); and

''(iv) any other criteria determined appropriate by the Secretary.

''(D) DURATION OF EXEMPTION.—

''(i) IN GENERAL.—An exemption granted under subparagraph (B) shall expire not later than December 31, 2028, and may not be renewed beyond that date.

''(ii) EARLY TERMINATION.—The Secretary may terminate an exemption granted under subparagraph (B) prior to the expiration date of that exemption if the Secretary determines that the State agency—

''(I) has failed to comply with the reporting requirements described in subparagraph (E); or

''(II) based on the information provided pursuant to subparagraph (E), failed to make continued good faith efforts toward compliance with the requirements of this subsection.

''(E) REPORTING REQUIREMENTS.—A State agency granted an exemption under subparagraph (B) shall submit to the Secretary—

''(i) quarterly progress reports on the status of the State agency in achieving the milestones toward full compliance described in subparagraph (C)(iii); and

''(ii) information on specific risks or newly identified barriers or challenges to full compliance, including the plan of the State agency to mitigate those risks, barriers, or challenges.''.

SEC. 10103. AVAILABILITY OF STANDARD UTILITY ALLOWANCES BASED ON RECEIPT OF ENERGY ASSISTANCE.

(a) STANDARD UTILITY ALLOWANCE.—Section 5(e)(6)(C)(iv)(I) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)(C)(iv)(I)) is amended by inserting ''with an elderly or disabled member'' after ''households''.

(b) THIRD-PARTY ENERGY ASSISTANCE PAYMENTS.—Section 5(k)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(k)(4)) is amended—

(1) in subparagraph (A), by inserting ''without an elderly or disabled member'' before ''shall be''; and

(2) in subparagraph (B), by inserting ''with an elderly or disabled member'' before ''under a State law''.

SEC. 10104. RESTRICTIONS ON INTERNET EXPENSES.

Section 5(e)(6) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)) is amended by adding at the end the following:

''(E) RESTRICTIONS ON INTERNET EXPENSES.—Any service fee associated with internet connection shall not be used in computing the excess shelter expense deduction under this paragraph.''.

SEC. 10105. MATCHING FUNDS REQUIREMENTS.

(a) IN GENERAL.—Section 4(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(a)) is amended—

(1) by striking ''(a) Subject to'' and inserting the following:

''(a) PROGRAM.—

''(1) ESTABLISHMENT.—Subject to''; and

(2) by adding at the end the following:

''(2) STATE QUALITY CONTROL INCENTIVE.—

''(A) DEFINITION OF PAYMENT ERROR RATE.—In this paragraph, the term 'payment error rate' has the meaning given the term in section 16(c)(2).

''(B) STATE COST SHARE.—

''(i) IN GENERAL.—Subject to clause (iii), beginning in fiscal year 2028, if the payment error rate of a State as determined under clause (ii) is—

''(I) less than 6 percent, the Federal share of the cost of the allotment described in paragraph (1) for that State in a fiscal year shall be 100 percent, and the State share shall be 0 percent;

''(II) equal to or greater than 6 percent but less than 8 percent, the Federal share of the cost of the allotment described in paragraph (1) for that State in a fiscal year shall be 95 percent, and the State share shall be 5 percent;

''(III) equal to or greater than 8 percent but less than 10 percent, the Federal share of the cost of the allotment described in paragraph (1) for that State in a fiscal year shall be 90 percent, and the State share shall be 10 percent; and

''(IV) equal to or greater than 10 percent, the Federal share of the cost of the allotment described in paragraph (1) for that State in a fiscal year shall be 85 percent, and the State share shall be 15 percent.

''(ii) ELECTIONS.—

''(I) FISCAL YEAR 2028.—For fiscal year 2028, to calculate the applicable State share under clause (i), a State may elect to use the payment error rate of the State from fiscal year 2025 or 2026.

''(II) FISCAL YEAR 2029 AND THEREAFTER.—For fiscal year 2029 and each fiscal year thereafter, to calculate the applicable State share under clause (i), the Secretary shall use the payment error rate of the State for the third fiscal year preceding the fiscal year for which the State share is being calculated.

''(iii) DELAYED IMPLEMENTATION.—

''(I) FISCAL YEAR 2025.—If, for fiscal year 2025, the payment error rate of a State multiplied by 1.5 is equal to or above 20 percent, the implementation date under clause (i) for that State shall be fiscal year 2029.

''(II) FISCAL YEAR 2026.—If, for fiscal year 2026, the payment error rate of a State multiplied by 1.5 is equal to or above 20 percent, the implementation date under clause (i) for that State shall be fiscal year 2030.

''(3) MAXIMUM FEDERAL PAYMENT.—The Secretary may not pay towards the cost of an allotment described in paragraph (1) an amount that is greater than the applicable Federal share under paragraph (2).''.

(b) LIMITATION ON AUTHORITY.—Section 13(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2022(a)(1)) is amended in the first sentence by inserting ''or the payment or disposition of a State share under section 4(a)(2)'' after ''16(c)(1)(D)(i)(II)''.

SEC. 10106. ADMINISTRATIVE COST SHARING.

Section 16(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(a)) is amended in the matter preceding paragraph (1) by striking ''agency an amount equal to 50 per centum'' and inserting ''agency, through fiscal year 2026, 50 percent, and for fiscal year 2027 and each fiscal year thereafter, 25 percent,''.

SEC. 10107. NATIONAL EDUCATION AND OBESITY PREVENTION GRANT PROGRAM.

Section 28(d)(1)(F) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(d)(1)(F)) is amended by striking ''for fiscal year 2016 and each subsequent fiscal year'' and inserting ''for each of fiscal years 2016 through 2025''.

SEC. 10108. ALIEN SNAP ELIGIBILITY.

Section 6(f) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(f)) is amended to read as follows:

''(f) No individual who is a member of a household otherwise eligible to participate in the supplemental nutrition assistance program under this section shall be eligible to participate in the supplemental nutrition assistance program as a member of that or any other household unless he or she is—

''(1) a resident of the United States; and

''(2) either—

''(A) a citizen or national of the United States;

''(B) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act, excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country;

''(C) an alien who has been granted the status of Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96–422); or

''(D) an individual who lawfully resides in the United States in accordance with a Compact of Free Association referred to in section 402(b)(2)(G) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

The income (less, at State option, a pro rata share) and financial resources of the individual rendered ineligible to participate in the supplemental nutrition assistance program under this subsection shall be considered in determining the eligibility and the value of the allotment of the household of which such individual is a member.''.

Subtitle B—Forestry

SEC. 10201. RESCISSION OF AMOUNTS FOR FORESTRY.

The unobligated balances of amounts appropriated by the following provisions of Public Law 117–169 are rescinded:

(1) Paragraphs (3) and (4) of section 23001(a) (136 Stat. 2023).

(2) Paragraphs (1) through (4) of section 23002(a) (136 Stat. 2025).

(3) Section 23003(a)(2) (136 Stat. 2026).

(4) Section 23005 (136 Stat. 2027).

Subtitle C—Commodities

SEC. 10301. EFFECTIVE REFERENCE PRICE; REFERENCE PRICE.

(a) EFFECTIVE REFERENCE PRICE.—Section 1111(8)(B)(ii) of the Agricultural Act of 2014 (7 U.S.C. 9011(8)(B)(ii)) is amended by striking ''85'' and inserting ''beginning with the crop year 2025, 88''.

(b) REFERENCE PRICE.—Section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011) is amended by striking paragraph (19) and inserting the following:

''(19) REFERENCE PRICE.—

''(A) IN GENERAL.—Effective beginning with the 2025 crop year, subject to subparagraphs (B) and (C), the term 'reference price', with respect to a covered commodity for a crop year, means the following:

''(i) For wheat, $6.35 per bushel.

''(ii) For corn, $4.10 per bushel.

''(iii) For grain sorghum, $4.40 per bushel.

''(iv) For barley, $5.45 per bushel.

''(v) For oats, $2.65 per bushel.

''(vi) For long grain rice, $16.90 per hundredweight.

''(vii) For medium grain rice, $16.90 per hundredweight.

''(viii) For soybeans, $10.00 per bushel.

''(ix) For other oilseeds, $23.75 per hundredweight.

''(x) For peanuts, $630.00 per ton.

''(xi) For dry peas, $13.10 per hundredweight.

''(xii) For lentils, $23.75 per hundredweight.

''(xiii) For small chickpeas, $22.65 per hundredweight.

''(xiv) For large chickpeas, $25.65 per hundredweight.

''(xv) For seed cotton, $0.42 per pound.

''(B) EFFECTIVENESS.—Effective beginning with the 2031 crop year, the reference prices defined in subparagraph (A) with respect to a covered commodity shall equal the reference price in the previous crop year multiplied by 1.005.

''(C) LIMITATION.—In no case shall a reference price for a covered commodity exceed 113 percent of the reference price for such covered commodity listed in subparagraph (A).''.

SEC. 10302. BASE ACRES.

Section 1112 of the Agricultural Act of 2014 (7 U.S.C. 9012) is amended—

(1) in subsection (d)(3)(A), by striking ''2023'' and inserting ''2031''; and

(2) by adding at the end the following:

''(e) ADDITIONAL BASE ACRES.—

''(1) IN GENERAL.—As soon as practicable after the date of enactment of this subsection, and notwithstanding subsection (a), the Secretary shall provide notice to owners of eligible farms pursuant to paragraph (3) and allocate to those eligible farms a total of not more than an additional 30,000,000 base acres in the manner provided in this subsection. An owner of a farm that is eligible to receive an allocation of base acres may elect to not receive that allocation by notifying the Secretary not later than 90 days after receipt of the notice provided by the Secretary under this paragraph.

''(2) CONTENT OF NOTICE.—The notice under paragraph (1) shall include the following:

''(A) Information that the allocation is occurring.

''(B) Information regarding the eligibility of the farm for an allocation of base acres under paragraph (3).

''(C) Information regarding how an owner may appeal a determination of ineligibility for an allocation of base acres under paragraph (3) through an appeals process established by the Secretary.

''(3) ELIGIBILITY.—

''(A) IN GENERAL.—Subject to subparagraph (D), effective beginning with the 2026 crop year, a farm is eligible to receive an allocation of base acres if, with respect to the farm, the amount described in subparagraph (B) exceeds the amount described in subparagraph (C).

''(B) 5-YEAR AVERAGE SUM.—The amount described in this subparagraph, with respect to a farm, is the sum of—

''(i) the 5-year average of—

''(I) the acreage planted on the farm to all covered commodities for harvest, grazing, haying, silage or other similar purposes for the 2019 through 2023 crop years; and

''(II) any acreage on the farm that the producers were prevented from planting during the 2019 through 2023 crop years to covered commodities because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, as determined by the Secretary; plus

''(ii) the lesser of—

''(I) 15 percent of the total acres on the farm; and

''(II) the 5-year average of—

''(aa) the acreage planted on the farm to eligible noncovered commodities for harvest, grazing, haying, silage, or other similar purposes for the 2019 through 2023 crop years; and

''(bb) any acreage on the farm that the producers were prevented from planting during the 2019 through 2023 crop years to eligible noncovered commodities because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, as determined by the Secretary.

''(C) TOTAL NUMBER OF BASE ACRES FOR COVERED COMMODITIES.—The amount described in this subparagraph, with respect to a farm, is the total number of base acres for covered commodities on the farm (excluding unassigned crop base), as in effect on September 30, 2024.

''(D) EFFECT OF NO RECENT PLANTINGS OF COVERED COMMODITIES.—In the case of a farm for which the amount determined under clause (i) of subparagraph (B) is equal to zero, that farm shall be ineligible to receive an allocation of base acres under this subsection.

''(E) ACREAGE PLANTED ON THE FARM TO ELIGIBLE NONCOVERED COMMODITIES DEFINED.—In this paragraph, the term 'acreage planted on the farm to eligible noncovered commodities' means acreage planted on a farm to commodities other than covered commodities, trees, bushes, vines, grass, or pasture (including cropland that was idle or fallow), as determined by the Secretary.

''(4) NUMBER OF BASE ACRES.—Subject to paragraphs (3) and (8), the number of base acres allocated to an eligible farm shall—

''(A) be equal to the difference obtained by subtracting the amount determined under subparagraph (C) of paragraph (3) from the amount determined under subparagraph (B) of that paragraph; and

''(B) include unassigned crop base.

''(5) ALLOCATION OF ACRES.—

''(A) ALLOCATION.—The Secretary shall allocate the number of base acres under paragraph (4) among those covered commodities planted on the farm at any time during the 2019 through 2023 crop years.

''(B) ALLOCATION FORMULA.—The allocation of additional base acres for covered commodities shall be in proportion to the ratio of—

''(i) the 5-year average of—

''(I) the acreage planted on the farm to each covered commodity for harvest, grazing, haying, silage, or other similar purposes for the 2019 through 2023 crop years; and

''(II) any acreage on the farm that the producers were prevented from planting during the 2019 through 2023 crop years to that covered commodity because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, as determined by the Secretary; to

''(ii) the 5-year average determined under paragraph (3)(B)(i).

''(C) INCLUSION OF ALL 5 YEARS IN AVERAGE.—For the purpose of determining a 5-year acreage average under subparagraph (B) for a farm, the Secretary shall not exclude any crop year in which a covered commodity was not planted.

''(D) TREATMENT OF MULTIPLE PLANTING OR PREVENTED PLANTING.—For the purpose of determining under subparagraph (B) the acreage on a farm that producers planted or were prevented from planting during the 2019 through 2023 crop years to covered commodities, if the acreage that was planted or prevented from being planted was devoted to another covered commodity in the same crop year (other than a covered commodity produced under an established practice of double cropping), the owner may elect the covered commodity to be used for that crop year in determining the 5-year average, but may not include both the initial covered commodity and the subsequent covered commodity.

''(E) LIMITATION.—The allocation of additional base acres among covered commodities on a farm under this paragraph may not result in a total number of base acres for the farm in excess of the total number of acres on the farm.

''(6) REDUCTION BY THE SECRETARY.—In carrying out this subsection, if the total number of eligible acres allocated to base acres across all farms in the United States under this subsection would exceed 30,000,000 acres, the Secretary shall apply an across-the-board, pro-rata reduction to the number of eligible acres to ensure the number of allocated base acres under this subsection is equal to 30,000,000 acres.

''(7) PAYMENT YIELD.—Beginning with crop year 2026, for the purpose of making price loss coverage payments under section 1116, the Secretary shall establish payment yields to base acres allocated under this subsection equal to—

''(A) the payment yield established on the farm for the applicable covered commodity; and

''(B) if no such payment yield for the applicable covered commodity exists, a payment yield—

''(i) equal to the average payment yield for the covered commodity for the county in which the farm is situated; or

''(ii) determined pursuant to section 1113(c).

''(8) TREATMENT OF NEW OWNERS.—In the case of a farm for which the owner on the date of enactment of this subsection was not the owner for the 2019 through 2023 crop years, the Secretary shall use the planting history of the prior owner or owners of that farm for purposes of determining—

''(A) eligibility under paragraph (3);

''(B) eligible acres under paragraph (4); and

''(C) the allocation of acres under paragraph (5).''.

SEC. 10303. PRODUCER ELECTION.

(a) IN GENERAL.—Section 1115 of the Agricultural Act of 2014 (7 U.S.C. 9015) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''2023'' and inserting ''2031'';

(2) in subsection (c)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''crop year or'' and inserting ''crop year,''; and

(ii) by inserting ''or the 2026 crop year,'' after ''2019 crop year,'';

(B) in paragraph (1)—

(i) by striking ''crop year or'' and inserting ''crop year,''; and

(ii) by inserting ''or the 2026 crop year,'' after ''2019 crop year,''; and

(C) in paragraph (2)—

(i) in subparagraph (A), by striking ''and'' at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(C) the same coverage for each covered commodity on the farm for the 2027 through 2031 crop years as was applicable for the 2025 crop year.''; and

(3) by adding at the end the following:

''(i) HIGHER OF PRICE LOSS COVERAGE PAYMENTS AND AGRICULTURE RISK COVERAGE PAYMENTS.—For the 2025 crop year, the Secretary shall, on a covered commodity-by-covered commodity basis, make the higher of price loss coverage payments under section 1116 and agriculture risk coverage county coverage payments under section 1117 to the producers on a farm for the payment acres for each covered commodity on the farm.''.

(b) FEDERAL CROP INSURANCE SUPPLEMENTAL COVERAGE OPTION.—Section 508(c)(4)(C)(iv) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)(4)(C)(iv)) is amended by striking ''Crops for which the producer has elected under section 1116 of the Agricultural Act of 2014 to receive agriculture risk coverage and acres'' and inserting ''Acres''.

SEC. 10304. PRICE LOSS COVERAGE.

Section 1116 of the Agricultural Act of 2014 (7 U.S.C. 9016) is amended—

(1) in subsection (a)(2), in the matter preceding subparagraph (A), by striking ''2023'' and inserting ''2031'';

(2) in subsection (c)(1)(B)—

(A) in the subparagraph heading, by striking ''2023'' and inserting ''2031''; and

(B) in the matter preceding clause (i), by striking ''2023'' and inserting ''2031'';

(3) in subsection (d), in the matter preceding paragraph (1), by striking ''2025'' and inserting ''2031''; and

(4) in subsection (g)—

(A) by striking ''subparagraph (F) of section 1111(19)'' and inserting ''paragraph (19)(A)(vi) of section 1111''; and

(B) by striking ''2012 through 2016'' each place it appears and inserting ''2017 through 2021''.

SEC. 10305. AGRICULTURE RISK COVERAGE.

Section 1117 of the Agricultural Act of 2014 (7 U.S.C. 9017) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''2023'' and inserting ''2031'';

(2) in subsection (c)—

(A) in paragraph (1), by inserting ''for each of the 2014 through 2024 crop years and 90 percent of the benchmark revenue for each of the 2025 through 2031 crop years'' before the period at the end;

(B) by striking ''2023'' each place it appears and inserting ''2031''; and

(C) in paragraph (4)(B), in the subparagraph heading, by striking ''2023'' and inserting ''2031'';

(3) in subsection (d)(1), by striking subparagraph (B) and inserting the following:

''(B)(i) for each of the 2014 through 2024 crop years, 10 percent of the benchmark revenue for the crop year applicable under subsection (c); and

''(ii) for each of the 2025 through 2031 crop years, 12 percent of the benchmark revenue for the crop year applicable under subsection (c).''; and

(4) in subsections (e), (g)(5), and (i)(5), by striking ''2023'' each place it appears and inserting ''2031''.

SEC. 10306. EQUITABLE TREATMENT OF CERTAIN ENTITIES.

(a) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

(1) in subsection (a)—

(A) by redesignating paragraph (5) as paragraph (6); and

(B) by inserting after paragraph (4) the following:

''(5) QUALIFIED PASS-THROUGH ENTITY.—The term 'qualified pass-through entity' means—

''(A) a partnership (within the meaning of subchapter K of chapter 1 of the Internal Revenue Code of 1986);

''(B) an S corporation (as defined in section 1361 of that Code);

''(C) a limited liability company that does not affirmatively elect to be treated as a corporation; and

''(D) a joint venture or general partnership.'';

(2) in subsections (b) and (c), by striking ''except a joint venture or general partnership'' each place it appears and inserting ''except a qualified pass-through entity''; and

(3) in subsection (d), by striking ''subtitle B of title I of the Agricultural Act of 2014 or''.

(b) ATTRIBUTION OF PAYMENTS.—Section 1001(e)(3)(B)(ii) of the Food Security Act of 1985 (7 U.S.C. 1308(e)(3)(B)(ii)) is amended—

(1) in the clause heading, by striking ''JOINT VENTURES AND GENERAL PARTNERSHIPS'' and inserting ''QUALIFIED PASS-THROUGH ENTITIES'';

(2) by striking ''a joint venture or a general partnership'' and inserting ''a qualified pass-through entity'';

(3) by striking ''joint ventures and general partnerships'' and inserting ''qualified pass-through entities''; and

(4) by striking ''the joint venture or general partnership'' and inserting ''the qualified pass-through entity''.

(c) PERSONS ACTIVELY ENGAGED IN FARMING.—Section 1001A(b)(2) of the Food Security Act of 1985 (7 U.S.C. 1308–1(b)(2)) is amended—

(1) subparagraphs (A) and (B), by striking ''a general partnership, a participant in a joint venture'' each place it appears and inserting ''a qualified pass-through entity''; and

(2) in subparagraph (C), by striking ''a general partnership, joint venture, or similar entity'' and inserting ''a qualified pass-through entity or a similar entity''.

(d) JOINT AND SEVERAL LIABILITY.—Section 1001B(d) of the Food Security Act of 1985 (7 U.S.C. 1308–2(d)) is amended by striking ''partnerships and joint ventures'' and inserting ''qualified pass-through entities''.

(e) EXCLUSION FROM AGI CALCULATION.—Section 1001D(d) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(d)) is amended by striking '', general partnership, or joint venture'' each place it appears.

SEC. 10307. PAYMENT LIMITATIONS.

Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

(1) in subsection (b)—

(A) by striking ''The'' and inserting ''Subject to subsection (i), the''; and

(B) by striking ''$125,000'' and inserting ''$155,000'';

(2) in subsection (c)—

(A) by striking ''The'' and inserting ''Subject to subsection (i), the''; and

(B) by striking ''$125,000'' and inserting ''$155,000''; and

(3) by adding at the end the following:

''(i) ADJUSTMENT.—For the 2025 crop year and each crop year thereafter, the Secretary shall annually adjust the amounts described in subsections (b) and (c) for inflation based on the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.''.

SEC. 10308. ADJUSTED GROSS INCOME LIMITATION.

Section 1001D(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)) is amended—

(1) in paragraph (1), by striking ''paragraph (3)'' and inserting ''paragraphs (3) and (4)''; and

(2) by adding at the end the following:

''(4) EXCEPTION FOR CERTAIN OPERATIONS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) EXCEPTED PAYMENT OR BENEFIT.—The term 'excepted payment or benefit' means—

''(I) a payment or benefit under subtitle E of title I of the Agricultural Act of 2014 (7 U.S.C. 9081 et seq.);

''(II) a payment or benefit under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

''(III) a payment or benefit described in paragraph (2)(C) received on or after October 1, 2024.

''(ii) FARMING, RANCHING, OR SILVICULTURE ACTIVITIES.—The term 'farming, ranching, or silviculture activities' includes agri-tourism, direct-to-consumer marketing of agricultural products, the sale of agricultural equipment owned by the person or legal entity, and other agriculture-related activities, as determined by the Secretary.

''(B) EXCEPTION.—In the case of an excepted payment or benefit, the limitation established by paragraph (1) shall not apply to a person or legal entity during a crop, fiscal, or program year, as appropriate, if greater than or equal to 75 percent of the average gross income of the person or legal entity derives from farming, ranching, or silviculture activities.''.

SEC. 10309. MARKETING LOANS.

(a) AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR LOAN COMMODITIES.—Section 1201(b)(1) of the Agricultural Act of 2014 (7 U.S.C. 9031(b)(1)) is amended by striking ''2023'' and inserting ''2031''.

(b) LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.—Section 1202 of the Agricultural Act of 2014 (7 U.S.C. 9032) is amended—

(1) in subsection (b)—

(A) in the subsection heading, by striking ''2023'' and inserting ''2025''; and

(B) in the matter preceding paragraph (1), by striking ''2023'' and inserting ''2025'';

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

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

''(c) 2026 THROUGH 2031 CROP YEARS.—For purposes of each of the 2026 through 2031 crop years, the loan rate for a marketing assistance loan under section 1201 for a loan commodity shall be equal to the following:

''(1) In the case of wheat, $3.72 per bushel.

''(2) In the case of corn, $2.42 per bushel.

''(3) In the case of grain sorghum, $2.42 per bushel.

''(4) In the case of barley, $2.75 per bushel.

''(5) In the case of oats, $2.20 per bushel.

''(6) In the case of upland cotton, $0.55 per pound.

''(7) In the case of extra long staple cotton, $1.00 per pound.

''(8) In the case of long grain rice, $7.70 per hundredweight.

''(9) In the case of medium grain rice, $7.70 per hundredweight.

''(10) In the case of soybeans, $6.82 per bushel.

''(11) In the case of other oilseeds, $11.10 per hundredweight for each of the following kinds of oilseeds:

''(A) Sunflower seed.

''(B) Rapeseed.

''(C) Canola.

''(D) Safflower.

''(E) Flaxseed.

''(F) Mustard seed.

''(G) Crambe.

''(H) Sesame seed.

''(I) Other oilseeds designated by the Secretary.

''(12) In the case of dry peas, $6.87 per hundredweight.

''(13) In the case of lentils, $14.30 per hundredweight.

''(14) In the case of small chickpeas, $11.00 per hundredweight.

''(15) In the case of large chickpeas, $15.40 per hundredweight.

''(16) In the case of graded wool, $1.60 per pound.

''(17) In the case of nongraded wool, $0.55 per pound.

''(18) In the case of mohair, $5.00 per pound.

''(19) In the case of honey, $1.50 per pound.

''(20) In the case of peanuts, $390 per ton.'';

(4) in subsection (d) (as so redesignated), by striking ''(a)(11) and (b)(11)'' and inserting ''(a)(11), (b)(11), and (c)(11)''; and

(5) in subsection (e) (as so redesignated), in paragraph (1), by striking ''$0.25'' and inserting ''$0.30''.

(c) PAYMENT OF COTTON STORAGE COSTS.—Section 1204(g) of the Agricultural Act of 2014 (7 U.S.C. 9034(g)) is amended—

(1) by striking ''Effective'' and inserting the following:

''(1) CROP YEARS 2014 THROUGH 2025.—Effective'';

(2) in paragraph (1) (as so designated), by striking ''2023'' and inserting ''2025''; and

(3) by adding at the end the following:

''(2) PAYMENT OF COTTON STORAGE COSTS.—Effective for each of the 2026 through 2031 crop years, the Secretary shall make cotton storage payments for upland cotton and extra long staple cotton available in the same manner as the Secretary provided storage payments for the 2006 crop of upland cotton, except that the payment rate shall be equal to the lesser of—

''(A) the submitted storage charge for the current marketing year; and

''(B) in the case of storage in—

''(i) California or Arizona, a payment rate of $4.90; and

''(ii) any other State, a payment rate of $3.00.''.

(d) LOAN DEFICIENCY PAYMENTS.—

(1) CONTINUATION.—Section 1205(a)(2)(B) of the Agricultural Act of 2014 (7 U.S.C. 9035(a)(2)(B)) is amended by striking ''2023'' and inserting ''2031''.

(2) PAYMENTS IN LIEU OF LDPS.—Section 1206 of the Agricultural Act of 2014 (7 U.S.C. 9036) is amended, in subsections (a) and (d), by striking ''2023'' each place it appears and inserting ''2031''.

(e) SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.—Section 1208(a) of the Agricultural Act of 2014 (7 U.S.C. 9038(a)) is amended, in the matter preceding paragraph (1), by striking ''2026'' and inserting ''2032''.

(f) AVAILABILITY OF RECOURSE LOANS.—Section 1209 of the Agricultural Act of 2014 (7 U.S.C. 9039) is amended, in subsections (a)(2), (b), and (c), by striking ''2023'' each place it appears and inserting ''2031''.

SEC. 10310. REPAYMENT OF MARKETING LOANS.

Section 1204 of the Agricultural Act of 2014 (7 U.S.C. 9034) is amended—

(1) in subsection (b)—

(A) by redesignating paragraph (1) as subparagraph (A) and indenting appropriately;

(B) in the matter preceding subparagraph (A) (as so redesignated), by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(C) by striking paragraph (2) and inserting the following:

''(B)(i) in the case of long grain rice and medium grain rice, the prevailing world market price for the commodity, as determined and adjusted by the Secretary in accordance with this section; or

''(ii) in the case of upland cotton, the prevailing world market price for the commodity, as determined and adjusted by the Secretary in accordance with this section.

''(2) REFUND FOR UPLAND COTTON.—In the case of a repayment for a marketing assistance loan for upland cotton at a rate described in paragraph (1)(B)(ii), the Secretary shall provide to the producer a refund (if any) in an amount equal to the difference between the lowest prevailing world market price, as determined and adjusted by the Secretary in accordance with this section, during the 30-day period following the date on which the producer repays the marketing assistance loan and the repayment rate.'';

(2) in subsection (c)—

(A) by striking the period at the end and inserting ''; and'';

(B) by striking ''at the loan rate'' and inserting the following: ″at a rate that is the lesser of— ''

''(1) the loan rate''; and

(C) by adding at the end the following:

''(2) the prevailing world market price for the commodity, as determined and adjusted by the Secretary in accordance with this section.'';

(3) in subsection (d)—

(A) in paragraph (1), by striking ''and medium grain rice'' and inserting ''medium grain rice, and extra long staple cotton'';

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(C) in the matter preceding subparagraph (A) (as so redesignated), by striking ''For purposes'' and inserting the following:

''(1) IN GENERAL.—For purposes''; and

(D) by adding at the end the following:

''(2) UPLAND COTTON.—In the case of upland cotton, for any period when price quotations for Middling (M) 1$\frac{3}{32}$-inch cotton are available, the formula under paragraph (1)(A) shall be based on the average of the 3 lowest-priced growths that are quoted.''; and

(4) in subsection (e)—

(A) in the subsection heading, by inserting ''EXTRA LONG STAPLE COTTON,'' after ''UPLAND COTTON,'';

(B) in paragraph (2)—

(i) in the paragraph heading, by inserting ''UPLAND'' before ''COTTON''; and

(ii) in subparagraph (B), in the matter preceding clause (i), by striking ''2024'' and inserting ''2032'';

(C) by redesignating paragraph (3) as paragraph (4); and

(D) by inserting after paragraph (2) the following:

''(3) EXTRA LONG STAPLE COTTON.—The prevailing world market price for extra long staple cotton determined under subsection (d)—

''(A) shall be adjusted to United States quality and location, with the adjustment to include the average costs to market the commodity, including average transportation costs, as determined by the Secretary; and

''(B) may be further adjusted, during the period beginning on the date of enactment of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress) and ending on July 31, 2032, if the Secretary determines the adjustment is necessary—

''(i) to minimize potential loan forfeitures;

''(ii) to minimize the accumulation of stocks of extra long staple cotton by the Federal Government;

''(iii) to ensure that extra long staple cotton produced in the United States can be marketed freely and competitively; and

''(iv) to ensure an appropriate transition between current-crop and forward-crop price quotations, except that the Secretary may use forward-crop price quotations prior to July 31 of a marketing year only if—

''(I) there are insufficient current-crop price quotations; and

''(II) the forward-crop price quotation is the lowest such quotation available.''.

SEC. 10311. ECONOMIC ADJUSTMENT ASSISTANCE FOR TEXTILE MILLS.

Section 1207(c) of the Agricultural Act of 2014 (7 U.S.C. 9037(c)) is amended by striking paragraph (2) and inserting the following:

''(2) VALUE OF ASSISTANCE.—The value of the assistance provided under paragraph (1) shall be—

''(A) for the period beginning on August 1, 2013, and ending on July 31, 2025, 3 cents per pound; and

''(B) beginning on August 1, 2025, 5 cents per pound.''.

SEC. 10312. SUGAR PROGRAM UPDATES.

(a) LOAN RATE MODIFICATIONS.—Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is amended—

(1) in subsection (a)—

(A) in paragraph (4), by striking ''and'' at the end;

(B) in paragraph (5), by striking ''2023 crop years.'' and inserting ''2024 crop years; and''; and

(C) by adding at the end the following:

''(6) 24.00 cents per pound for raw cane sugar for each of the 2025 through 2031 crop years.'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking ''2023 crop years.'' and inserting ''2024 crop years; and''; and

(C) by adding at the end the following:

''(3) a rate that is equal to 136.55 percent of the loan rate per pound of raw cane sugar under subsection (a)(6) for each of the 2025 through 2031 crop years.''; and

(3) in subsection (i), by striking ''2023'' and inserting ''2031''.

(b) ADJUSTMENTS TO COMMODITY CREDIT CORPORATION STORAGE RATES.—Section 167 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7287) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—For the 2025 crop year and each subsequent crop year, the Commodity Credit Corporation shall establish rates for the storage of forfeited sugar in an amount that is not less than—

''(1) in the case of refined sugar, 34 cents per hundredweight per month; and

''(2) in the case of raw cane sugar, 27 cents per hundredweight per month.''; and

(2) in subsection (b)—

(A) in the subsection heading, by striking ''SUBSEQUENT'' and inserting ''PRIOR''; and

(B) by striking ''and subsequent'' and inserting ''through 2024''.

(c) MODERNIZING BEET SUGAR ALLOTMENTS.—

(1) SUGAR ESTIMATES.—Section 359b(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended by striking ''2023'' and inserting ''2031''.

(2) ALLOCATION TO PROCESSORS.—Section 359c(g)(2) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359cc(g)(2)) is amended—

(A) by striking ''In the case'' and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), in the case''; and

(B) by adding at the end the following:

''(B) EXCEPTION.—If the Secretary makes an upward adjustment under paragraph (1)(A), in adjusting allocations among beet sugar processors, the Secretary shall give priority to beet sugar processors with available sugar.''.

(3) TIMING OF REASSIGNMENT.—Section 359e(b)(2) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ee(b)(2)) is amended—

(A) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and indenting appropriately;

(B) in the matter preceding clause (i) (as so redesignated), by striking ''If the Secretary'' and inserting the following:

''(A) IN GENERAL.—If the Secretary''; and

(C) by adding at the end the following:

''(B) TIMING.—In carrying out subparagraph (A), the Secretary shall—

''(i) make an initial determination based on the World Agricultural Supply and Demand Estimates approved by the World Agricultural Outlook Board for January that shall be applicable to the crop year for which allotments are required; and

''(ii) provide for an initial reassignment under subparagraph (A)(i) not later than 30 days after the date on which the World Agricultural Supply and Demand Estimates described in clause (i) is released.''.

(d) REALLOCATIONS OF TARIFF-RATE QUOTA SHORTFALL.—Section 359k of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359kk) is amended by adding at the end the following:

''(c) REALLOCATION.—

''(1) INITIAL REALLOCATION.—Subject to paragraph (3), following the establishment of the tariff-rate quotas under subsection (a) for a quota year, the Secretary shall—

''(A) determine which countries do not intend to fulfill their allocation for the quota year; and

''(B) reallocate any forecasted shortfall in the fulfillment of the tariff-rate quotas as soon as practicable.

''(2) SUBSEQUENT REALLOCATION.—Subject to paragraph (3), not later than March 1 of a quota year, the Secretary shall reallocate any additional forecasted shortfall in the fulfillment of the tariff-rate quotas for raw cane sugar established under subsection (a)(1) for that quota year.

''(3) CESSATION OF EFFECTIVENESS.—Paragraphs (1) and (2) shall cease to be in effect if—

''(A) the Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico, signed December 19, 2014, is terminated; and

''(B) no countervailing duty order under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is in effect with respect to sugar from Mexico.

''(d) REFINED SUGAR.—

''(1) DEFINITION OF DOMESTIC SUGAR INDUSTRY.—In this subsection, the term 'domestic sugar industry' means domestic—

''(A) sugar beet producers and processors;

''(B) producers and processors of sugar cane; and

''(C) refiners of raw cane sugar.

''(2) STUDY REQUIRED.—

''(A) IN GENERAL.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall conduct a study on whether the establishment of additional terms and conditions with respect to refined sugar imports is necessary and appropriate.

''(B) ELEMENTS.—In conducting the study under subparagraph (A), the Secretary shall examine the following:

''(i) The need for—

''(I) defining 'refined sugar' as having a minimum polarization of 99.8 degrees or higher;

''(II) establishing a standard for color- or reflectance-based units for refined sugar such as those utilized by the International

Commission of Uniform Methods of Sugar Analysis;

''(III) prescribing specifications for packaging type for refined sugar;

''(IV) prescribing specifications for transportation modes for refined sugar;

''(V) requiring evidence that sugar imported as refined sugar will not undergo further refining in the United States;

''(VI) prescribing appropriate terms and conditions to avoid unlawful sugar imports; and

''(VII) establishing other definitions, terms and conditions, or other requirements.

''(ii) The potential impact of modifications described in each of subclauses (I) through (VII) of clause (i) on the domestic sugar industry.

''(iii) Whether, based on the needs described in clause (i) and the impact described in clause (ii), the establishment of additional terms and conditions is appropriate.

''(C) CONSULTATION.—In conducting the study under subparagraph (A), the Secretary shall consult with representatives of the domestic sugar industry and users of refined sugar.

''(D) REPORT.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the findings of the study conducted under subparagraph (A).

''(3) ESTABLISHMENT OF ADDITIONAL TERMS AND CONDITIONS PERMITTED.—

''(A) IN GENERAL.—Based on the findings in the report submitted under paragraph (2)(D), and after providing notice to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Secretary may issue regulations in accordance with subparagraph (B) to establish additional terms and conditions with respect to refined sugar imports that are necessary and appropriate.

''(B) PROMULGATION OF REGULATIONS.—The Secretary may issue regulations under subparagraph (A) if the regulations—

''(i) do not have an adverse impact on the domestic sugar industry; and

''(ii) are consistent with the requirements of this part, section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272), and obligations under international trade agreements that have been approved by Congress.''.

(e) CLARIFICATION OF TARIFF-RATE QUOTA ADJUSTMENTS.—Section 359k(b)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359kk(b)(1)) is amended, in the matter preceding subparagraph (A), by striking ''if there is an'' and inserting ''for the sole purpose of responding directly to an''.

(f) PERIOD OF EFFECTIVENESS.—Section 359l(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a)) is amended by striking ''2023'' and inserting ''2031''.

SEC. 10313. DAIRY POLICY UPDATES.

(a) DAIRY MARGIN COVERAGE PRODUCTION HISTORY.—

(1) DEFINITION.—Section 1401(8) of the Agricultural Act of 2014 (7 U.S.C. 9051(8)) is amended by striking ''when the participating dairy operation first registers to participate in dairy margin coverage''.

(2) PRODUCTION HISTORY OF PARTICIPATING DAIRY OPERATIONS.—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended by striking subsections (a) and (b) and inserting the following:

''(a) PRODUCTION HISTORY.—Except as provided in subsection (b), the production history of a dairy operation for dairy margin coverage is equal to the highest annual milk marketings of the participating dairy operation during any 1 of the 2021, 2022, or 2023 calendar years.

''(b) ELECTION BY NEW DAIRY OPERATIONS.—In the case of a participating dairy operation that has been in operation for less than a year, the participating dairy operation shall elect 1 of the following methods for the Secretary to determine the production history of the participating dairy operation:

''(1) The volume of the actual milk marketings for the months the participating dairy operation has been in operation extrapolated to a yearly amount.

''(2) An estimate of the actual milk marketings of the participating dairy operation based on the herd size of the participating dairy operation relative to the national rolling herd average data published by the Secretary.''.

(b) DAIRY MARGIN COVERAGE PAYMENTS.—Section 1406(a)(1)(C) of the Agricultural Act of 2014 (7 U.S.C. 9056(a)(1)(C)) is amended by striking ''5,000,000'' each place it appears and inserting ''6,000,000''.

(c) PREMIUMS FOR DAIRY MARGINS.—

(1) TIER I.—Section 1407(b) of the Agricultural Act of 2014 (7 U.S.C. 9057(b)) is amended—

(A) in the subsection heading, by striking ''5,000,000'' and inserting ''6,000,000''; and

(B) in paragraph (1), by striking ''5,000,000'' and inserting ''6,000,000''.

(2) TIER II.—Section 1407(c) of the Agricultural Act of 2014 (7 U.S.C. 9057(c)) is amended—

(A) in the subsection heading, by striking ''5,000,000'' and inserting ''6,000,000''; and

(B) in paragraph (1), by striking ''5,000,000'' and inserting ''6,000,000''.

(3) PREMIUM DISCOUNTS.—Section 1407(g) of the Agricultural Act of 2014 (7 U.S.C. 9057(g)) is amended—

(A) in paragraph (1)—

(i) by striking ''2019 through 2023'' and inserting ''2026 through 2031''; and

(ii) by striking ''January 2019'' and inserting ''January 2026''; and

(B) in paragraph (2), by striking ''2023'' each place it appears and inserting ''2031''.

(d) DURATION.—Section 1409 of the Agricultural Act of 2014 (7 U.S.C. 9059) is amended by striking ''2025'' and inserting ''2031''.

SEC. 10314. IMPLEMENTATION.

Section 1614(c) of the Agricultural Act of 2014 (7 U.S.C. 9097(c)) is amended by adding at the end the following:

''(5) FURTHER FUNDING.—The Secretary shall make available to carry out subtitle C of title I of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress) and the amendments made by that subtitle $50,000,000, to remain available until expended, of which—

''(A) not less than $5,000,000 shall be used to carry out paragraphs (3) and (4) of subsection (b);

''(B) $3,000,000 shall be used for activities described in paragraph (3)(A);

''(C) $3,000,000 shall be used for activities described in paragraph (3)(B);

''(D) $9,000,000 shall be used—

''(i) to carry out mandatory surveys of dairy production cost and product yield information to be reported by manufacturers required to report under section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b), for all products processed in the same facility or facilities; and

''(ii) to publish the results of such surveys biennially; and

''(E) $1,000,000 shall be used to conduct the study under subsection (d) of section 359k of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359kk).''.

Subtitle D—Disaster Assistance Programs

SEC. 10401. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.

(a) LIVESTOCK INDEMNITY PAYMENTS.—Section 1501(b) of the Agricultural Act of 2014 (7 U.S.C. 9081(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) PAYMENT RATES.—

''(A) LOSSES DUE TO PREDATION.—Indemnity payments to an eligible producer on a farm under paragraph (1)(A) shall be made at a rate of 100 percent of the market value of the affected livestock on the applicable date, as determined by the Secretary.

''(B) LOSSES DUE TO ADVERSE WEATHER OR DISEASE.—Indemnity payments to an eligible producer on a farm under subparagraph (B) or (C) of paragraph (1) shall be made at a rate of 75 percent of the market value of the affected livestock on the applicable date, as determined by the Secretary.

''(C) DETERMINATION OF MARKET VALUE.—In determining the market value described in subparagraphs (A) and (B), the Secretary may consider the ability of eligible producers to document regional price premiums for affected livestock that exceed the national average market price for those livestock.

''(D) APPLICABLE DATE DEFINED.—In this paragraph, the term 'applicable date' means, with respect to livestock, as applicable—

''(i) the day before the date of death of the livestock; or

''(ii) the day before the date of the event that caused the harm to the livestock that resulted in a reduced sale price.''; and

(2) by adding at the end the following:

''(5) ADDITIONAL PAYMENT FOR UNBORN LIVESTOCK.—

''(A) IN GENERAL.—In the case of unborn livestock death losses incurred on or after January 1, 2024, the Secretary shall make an additional payment to eligible producers on farms that have incurred such losses in excess of the normal mortality due to a condition specified in paragraph (1).

''(B) PAYMENT RATE.—Additional payments under subparagraph (A) shall be made at a rate—

''(i) determined by the Secretary; and

''(ii) less than or equal to 85 percent of the payment rate established with respect to the lowest weight class of the livestock, as determined by the Secretary, acting through the Administrator of the Farm Service Agency.

''(C) PAYMENT AMOUNT.—The amount of a payment to an eligible producer that has incurred unborn livestock death losses shall be equal to the payment rate determined under subparagraph (B) multiplied, in the case of livestock described in—

''(i) subparagraph (A), (B), or (F) of subsection (a)(4), by 1;

''(ii) subparagraph (D) of such subsection, by 2;

''(iii) subparagraph (E) of such subsection, by 12; and

''(iv) subparagraph (G) of such subsection, by the average number of birthed animals (for one gestation cycle) for the species of each such livestock, as determined by the Secretary.

''(D) UNBORN LIVESTOCK DEATH LOSSES DEFINED.—In this paragraph, the term 'unborn livestock death losses' means losses of any livestock described in subparagraph (A), (B), (D), (E), (F), or (G) of subsection (a)(4) that was gestating on the date of the death of the livestock.''.

(b) LIVESTOCK FORAGE DISASTER PROGRAM.—Section 1501(c)(3)(D)(ii)(I) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)(3)(D)(ii)(I)) is amended—

(1) by striking ''1 monthly payment'' and inserting ''2 monthly payments''; and

(2) by striking ''county for at least 8 consecutive'' and inserting the following: ″county for not less than— ''

''(aa) 4 consecutive weeks during the normal grazing period for the county, as determined by the Secretary, shall be eligible to receive assistance under this paragraph in an amount equal to 1 monthly payment using the monthly payment rate determined under subparagraph (B); or

''(bb) 7 of the previous 8 consecutive''.

(c) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—

(1) IN GENERAL.—Section 1501(d) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)) is amended by adding at the end the following:

''(5) ASSISTANCE FOR LOSSES DUE TO BIRD DEPREDATION.—

''(A) DEFINITION OF FARM-RAISED FISH.—In this paragraph, the term 'farm-raised fish' means fish propagated and reared in a controlled fresh water environment.

''(B) PAYMENTS.—Eligible producers of farm-raised fish, including fish grown as food for human consumption, shall be eligible to receive payments under this subsection to aid in the reduction of losses due to piscivorous birds.

''(C) PAYMENT RATE.—

''(i) IN GENERAL.—The payment rate for payments under subparagraph (B) shall be determined by the Secretary, taking into account—

''(I) costs associated with the deterrence of piscivorous birds;

''(II) the value of lost fish and revenue due to bird depredation; and

''(III) costs associated with disease loss from bird depredation.

''(ii) MINIMUM RATE.—The payment rate for payments under subparagraph (B) shall be not less than $600 per acre of farm-raised fish.

''(D) PAYMENT AMOUNT.—The amount of a payment under subparagraph (B) shall be the product obtained by multiplying—

''(i) the applicable payment rate under subparagraph (C); and

''(ii) 85 percent of the total number of acres of farm-raised fish farms that the eligible producer has in production for the calendar year.''.

(2) EMERGENCY ASSISTANCE FOR HONEY-BEES.—In determining honeybee colony losses eligible for assistance under section 1501(d) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)), the Secretary shall utilize a normal mortality rate of 15 percent.

(d) TREE ASSISTANCE PROGRAM.—Section 1501(e) of the Agricultural Act of 2014 (7 U.S.C. 9081(e)) is amended—

(1) in paragraph (2)(B), by striking ''15 percent (adjusted for normal mortality)'' and inserting ''normal mortality''; and

(2) in paragraph (3)—

(A) in subparagraph (A)(i), by striking ''15 percent mortality (adjusted for normal mortality)'' and inserting ''normal mortality''; and

(B) in subparagraph (B)—

(i) by striking ''50'' and inserting ''65''; and

(ii) by striking ''15 percent damage or mortality (adjusted for normal tree damage and mortality)'' and inserting ''normal tree damage or mortality''.

Subtitle E—Crop Insurance

SEC. 10501. BEGINNING FARMER AND RANCHER BENEFIT.

(a) DEFINITIONS.—

(1) IN GENERAL.—Section 502(b)(3) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)(3)) is amended by striking ''5'' and inserting ''10''.

(2) CONFORMING AMENDMENT.—Section 522(c)(7) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(7)) is amended by striking subparagraph (F).

(b) INCREASE IN ASSISTANCE.—Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:

''(9) ADDITIONAL SUPPORT.—

''(A) IN GENERAL.—In addition to any other provision of this subsection (except paragraph (2)(A)) regarding payment of a portion of premiums, a beginning farmer or rancher shall receive additional premium assistance that is the number of percentage points specified in subparagraph (B) greater than the premium assistance that would otherwise be available for the applicable policy, plan of insurance, and coverage level selected by the beginning farmer or rancher.

''(B) PERCENTAGE POINTS ADJUSTMENTS.—The percentage points referred to in subparagraph (A) are the following:

''(i) For each of the first and second reinsurance years that a beginning farmer or rancher participates as a beginning farmer or rancher in the applicable policy or plan of insurance, 5 percentage points.

''(ii) For the third reinsurance year that a beginning farmer or rancher participates as a beginning farmer or rancher in the applicable policy or plan of insurance, 3 percentage points.

''(iii) For the fourth reinsurance year that a beginning farmer or rancher participates as a beginning farmer or rancher in the applicable policy or plan of insurance, 1 percentage point.''.

SEC. 10502. AREA-BASED CROP INSURANCE COVERAGE AND AFFORDABILITY.

(a) COVERAGE LEVEL.—Section 508(c)(4) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)(4)) is amended—

(1) in subparagraph (A), by striking clause (ii) and inserting the following:

''(ii) may be purchased at any level not to exceed—

''(I) in the case of the individual yield or revenue coverage, 85 percent;

''(II) in the case of individual yield or revenue coverage aggregated across multiple commodities, 90 percent; and

''(III) in the case of area yield or revenue coverage (as determined by the Corporation), 95 percent.''; and

(2) in subparagraph (C)—

(A) in clause (ii), by striking ''14'' and inserting ''10''; and

(B) in clause (iii)(I), by striking ''86'' and inserting ''90''.

(b) PREMIUM SUBSIDY.—Section 508(e)(2)(H)(i) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(2)(H)(i)) is amended by striking ''65'' and inserting ''80''.

SEC. 10503. ADMINISTRATIVE AND OPERATING EXPENSE ADJUSTMENTS.

Section 508(k) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)) is amended by adding at the end the following:

''(10) ADDITIONAL EXPENSES.—

''(A) IN GENERAL.—Beginning with the 2026 reinsurance year, and for each reinsurance year thereafter, in addition to the terms and conditions of the Standard Reinsurance Agreement, to cover additional expenses for loss adjustment procedures, the Corporation shall pay an additional administrative and operating expense subsidy to approved insurance providers for eligible contracts.

''(B) PAYMENT AMOUNT.—In the case of an eligible contract, the payment to an approved insurance provider required under subparagraph (A) shall be the amount equal to 6 percent of the net book premium.

''(C) DEFINITIONS.—In this paragraph:

''(i) ELIGIBLE CONTRACT.—The term 'eligible contract'—

''(I) means a crop insurance contract entered into by an approved insurance provider in an eligible State; and

''(II) does not include a contract for—

''(aa) catastrophic risk protection under subsection (b);

''(bb) an area-based plan of insurance or similar plan of insurance, as determined by the Corporation; or

''(cc) a policy under which an approved insurance provider does not incur loss adjustment expenses, as determined by the Corporation.

''(ii) ELIGIBLE STATE.—The term 'eligible State' means a State in which, with respect to an insurance year, the loss ratio for eligible contracts is greater than 120 percent of the total net book premium written by all approved insurance providers.

''(11) SPECIALTY CROPS.—

''(A) MINIMUM REIMBURSEMENT.—Beginning with the 2026 reinsurance year, and for each reinsurance year thereafter, the rate of reimbursement to approved insurance providers and agents for administrative and operating expenses with respect to crop insurance contracts covering agricultural commodities described in section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) shall be equal to or greater than the percentage that is the greater of the following:

''(i) 17 percent of the premium used to define loss ratio.

''(ii) The percent of the premium used to define loss ratio that is otherwise applicable for the reinsurance year under the terms of the Standard Reinsurance Agreement in effect for the reinsurance year.

''(B) OTHER CONTRACTS.—In carrying out subparagraph (A), the Corporation shall not reduce, with respect to any reinsurance year, the amount or the rate of reimbursement to approved insurance providers and agents under the Standard Reinsurance Agreement described in clause (ii) of such subparagraph for administrative and operating expenses with respect to contracts covering agricultural commodities that are not subject to such subparagraph.

''(C) ADMINISTRATION.—The requirements of this paragraph and the adjustments made pursuant to this paragraph shall not be considered a renegotiation under paragraph (8)(A).

''(12) A&O INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—Subject to subparagraph (B), beginning with the 2026 reinsurance year, and for each reinsurance year thereafter, the Corporation shall increase the total administrative and operating expense reimbursements otherwise required under the Standard Reinsurance Agreement in effect for the reinsurance year in order to account for inflation, in a manner consistent with the increases provided with respect to the 2011 through 2015 reinsurance years under the enclosure included in Risk Management Agency Bulletin numbered MGR–10–007 and dated June 30, 2010.

''(B) SPECIAL RULE FOR 2026 REINSURANCE YEAR.—The increase under subparagraph (A) for the 2026 reinsurance year shall not exceed the percentage change for the preceding reinsurance year included in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

''(C) ADMINISTRATION.—An increase under subparagraph (A)—

''(i) shall apply with respect to all contracts covering agricultural commodities that were subject to an increase during the period of the 2011 through 2015 reinsurance years under the enclosure referred to in that subparagraph; and

''(ii) shall not be considered a renegotiation under paragraph (8)(A).''.

SEC. 10504. PREMIUM SUPPORT.

Section 508(e)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(2)) is amended—

(1) in subparagraph (C)(i), by striking ''64'' and inserting ''69'';

(2) in subparagraph (D)(i), by striking ''59'' and inserting ''64'';

(3) in subparagraph (E)(i), by striking ''55'' and inserting ''60'';

(4) in subparagraph (F)(i), by striking ''48'' and inserting ''51''; and

(5) in subparagraph (G)(i), by striking ''38'' and inserting ''41''.

SEC. 10505. PROGRAM COMPLIANCE AND INTEGRITY.

Section 515(l)(2) of the Federal Crop Insurance Act (7 U.S.C. 1515(l)(2)) is amended by striking ''than'' and all that follows through the period at the end and inserting the following: ''than—

''(A) $4,000,000 for each of fiscal years 2009 through 2025; and

''(B) $6,000,000 for fiscal year 2026 and each subsequent fiscal year.''.

SEC. 10506. REVIEWS, COMPLIANCE, AND INTEGRITY.

Section 516(b)(2)(C)(i) of the Federal Crop Insurance Act (7 U.S.C. 1516(b)(2)(C)(i)) is amended, in the matter preceding subclause (I), by striking ''for each fiscal year'' and inserting ''for each of fiscal years 2014 through 2025 and $10,000,000 for fiscal year 2026 and each fiscal year thereafter''.

SEC. 10507. POULTRY INSURANCE PILOT PROGRAM.

Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended by adding at the end the following:

''(j) POULTRY INSURANCE PILOT PROGRAM.—

''(1) IN GENERAL.—Notwithstanding subsection (a)(2), the Corporation shall establish a pilot program under which contract poultry growers, including growers of broilers and laying hens, may elect to receive index-based insurance from extreme weather-related risk resulting in increased utility costs (including costs of natural gas, propane, electricity, water, and other appropriate costs, as determined by the Corporation) associated with poultry production.

''(2) STAKEHOLDER ENGAGEMENT.—The Corporation shall engage with poultry industry stakeholders in establishing the pilot program under paragraph (1).

''(3) LOCATION.—The pilot program established under paragraph (1) shall be conducted in a sufficient number of counties to provide a comprehensive evaluation of the feasibility, effectiveness, and demand among producers in the top poultry producing States, as determined by the Corporation.

''(4) APPROVAL OF POLICY OR PLAN.—Notwithstanding section 508(l), the Board shall approve a policy or plan of insurance based on the pilot program under paragraph (1)—

''(A) in accordance with section 508(h); and

''(B) not later than 2 years after the date of enactment of this subsection.''.

Subtitle F—Additional Investments in Rural America

SEC. 10601. CONSERVATION.

(a) IN GENERAL.—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) in paragraph (2), by striking subparagraphs (A) through (F) and inserting the following:

''(A) $625,000,000 for fiscal year 2026;

''(B) $650,000,000 for fiscal year 2027;

''(C) $675,000,000 for fiscal year 2028;

''(D) $700,000,000 for fiscal year 2029;

''(E) $700,000,000 for fiscal year 2030; and

''(F) $700,000,000 for fiscal year 2031.''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking clauses (i) through (v) and inserting the following:

''(i) $2,655,000,000 for fiscal year 2026;

''(ii) $2,855,000,000 for fiscal year 2027;

''(iii) $3,255,000,000 for fiscal year 2028;

''(iv) $3,255,000,000 for fiscal year 2029;

''(v) $3,255,000,000 for fiscal year 2030; and

''(vi) $3,255,000,000 for fiscal year 2031; and''; and

(B) in subparagraph (B), by striking clauses (i) through (v) and inserting the following:

''(i) $1,300,000,000 for fiscal year 2026;

''(ii) $1,325,000,000 for fiscal year 2027;

''(iii) $1,350,000,000 for fiscal year 2028;

''(iv) $1,375,000,000 for fiscal year 2029;

''(v) $1,375,000,000 for fiscal year 2030; and

''(vi) $1,375,000,000 for fiscal year 2031.''.

(b) REGIONAL CONSERVATION PARTNERSHIP PROGRAM.—Section 1271D of the Food Security Act of 1985 (16 U.S.C. 3871d) is amended by striking subsection (a) and inserting the following:

''(a) AVAILABILITY OF FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out the program, to the maximum extent practicable—

''(1) $425,000,000 for fiscal year 2026;

''(2) $450,000,000 for fiscal year 2027;

''(3) $450,000,000 for fiscal year 2028;

''(4) $450,000,000 for fiscal year 2029;

''(5) $450,000,000 for fiscal year 2030; and

''(6) $450,000,000 for fiscal year 2031.''.

(c) GRASSROOTS SOURCE WATER PROTECTION PROGRAM.—Section 1240O(b) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)) is amended—

(1) in paragraph (1), by striking ''2023'' and inserting ''2031''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) $1,000,000 beginning in fiscal year 2026, to remain available until expended.''.

(d) VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.—Section 1240R(f)(1) of the Food Security Act of 1985 (16 U.S.C. 3839bb–5(f)(1)) is amended—

(1) by striking ''2023, and'' and inserting ''2023,''; and

(2) by inserting '', and $70,000,000 for the period of fiscal years 2025 through 2031'' before the period at the end.

(e) WATERSHED PROTECTION AND FLOOD PREVENTION.—Section 15 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012a) is amended by striking ''$50,000,000 for fiscal year 2019 and each fiscal year thereafter'' and inserting ''$150,000,000 for fiscal year 2026 and each fiscal year thereafter, to remain available until expended''.

(f) FERAL SWINE ERADICATION AND CONTROL PILOT PROGRAM.—Section 2408(g)(1) of the Agriculture Improvement Act of 2018 (7 U.S.C. 8351 note; Public Law 115–334) is amended—

(1) by striking ''2023 and'' and inserting ''2023,''; and

(2) by inserting '', and $105,000,000 for the period of fiscal years 2025 through 2031'' before the period at the end.

(g) RESCISSION.—The unobligated balances of amounts appropriated by section 21001(a) of Public Law 117–169 (136 Stat. 2015) are rescinded.

SEC. 10602. SUPPLEMENTAL AGRICULTURAL TRADE PROMOTION PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture shall carry out a program to encourage the accessibility, development, maintenance, and expansion of commercial export markets for United States agricultural commodities.

(b) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available to carry out this section $285,000,000 for fiscal year 2027 and each fiscal year thereafter.

SEC. 10603. NUTRITION.

Section 203D(d)(5) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507(d)(5)) is amended by striking ''2024'' and inserting ''2031''.

SEC. 10604. RESEARCH.

(a) URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE.—Section 1672E(d)(1)(B) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925g(d)(1)(B)) is amended by striking ''fiscal year 2024, to remain available until expended'' and inserting ''each of fiscal years 2024 through 2031''.

(b) FOUNDATION FOR FOOD AND AGRICULTURE RESEARCH.—Section 7601(g)(1)(A) of the Agricultural Act of 2014 (7 U.S.C. 5939(g)(1)(A)) is amended by adding at the end the following:

''(iv) FURTHER FUNDING.—Not later than 30 days after the date of enactment of this clause, of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Foundation to carry out this section $37,000,000, to remain available until expended.''.

(c) SCHOLARSHIPS FOR STUDENTS AT 1890 INSTITUTIONS.—Section 1446(b)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222a(b)(1)) is amended by adding at the end the following:

''(C) FURTHER FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section $60,000,000 for fiscal year 2026, to remain available until expended.''.

(d) ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.—Section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) is amended—

(1) in subsection (c)(2), by inserting ''and subsection (d)'' after ''paragraph (1)''; and

(2) by adding at the end the following:

''(d) MANDATORY FUNDING.—Subject to subsection (c)(2), of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $8,000,000 for fiscal year 2026, to remain available until expended.''.

(e) SPECIALTY CROP RESEARCH INITIATIVE.—Section 412(k)(1)(B) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(k)(1)(B)) is amended by striking ''section $80,000,000 for fiscal year 2014'' and inserting the following: ''section—

''(i) $80,000,000 for each of fiscal years 2014 through 2025; and

''(ii) $175,000,000 for fiscal year 2026''.

(f) RESEARCH FACILITIES ACT.—Section 6 of the Research Facilities Act (7 U.S.C. 390d) is amended—

(1) in subsection (c), by striking ''subsection (a)'' and inserting ''subsections (a) and (e)''; and

(2) by adding at the end the following:

''(e) MANDATORY FUNDING.—Subject to subsections (b), (c), and (d), of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out the competitive grant program under section 4 $125,000,000 for fiscal year 2026 and each fiscal year thereafter.''.

SEC. 10605. ENERGY.

Section 9005(g)(1)(F) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105(g)(1)(F)) is amended by striking ''2024'' and inserting ''2031''.

SEC. 10606. HORTICULTURE.

(a) PLANT PEST AND DISEASE MANAGEMENT AND DISASTER PREVENTION.—Section 420(f) of the Plant Protection Act (7 U.S.C. 7721(f)) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) by redesignating paragraph (6) as paragraph (7);

(3) by inserting after paragraph (5) the following:

''(6) $75,000,000 for each of fiscal years 2018 through 2025; and''; and

(4) in paragraph (7) (as so redesignated), by striking ''$75,000,000 for fiscal year 2018'' and inserting ''$90,000,000 for fiscal year 2026''.

(b) SPECIALTY CROP BLOCK GRANTS.—Section 101(l)(1) of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) by redesignating subparagraph (E) as subparagraph (F);

(3) by inserting after subparagraph (D) the following:

''(E) $85,000,000 for each of fiscal years 2018 through 2025; and''; and

(4) in subparagraph (F) (as so redesignated), by striking ''$85,000,000 for fiscal year 2018'' and inserting ''$100,000,000 for fiscal year 2026''.

(c) ORGANIC PRODUCTION AND MARKET DATA INITIATIVE.—Section 7407(d)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(d)(1)) is amended—

(1) in subparagraph (B), by striking ''and'' at the end;

(2) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(D) $10,000,000 for the period of fiscal years 2026 through 2031.''.

(d) MODERNIZATION AND IMPROVEMENT OF INTERNATIONAL TRADE TECHNOLOGY SYSTEMS AND DATA COLLECTION.—Section 2123(c)(4) of the Organic Foods Production Act of 1990 (7 U.S.C. 6522(c)(4)) is amended, in the matter preceding subparagraph (A), by striking ''and $1,000,000 for fiscal year 2024'' and inserting '', $1,000,000 for fiscal years 2024 and 2025, and $5,000,000 for fiscal year 2026''.

(e) NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.—Section 10606(d)(1)(C) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523(d)(1)(C)) is amended by striking ''2024'' and inserting ''2031''.

(f) MULTIPLE CROP AND PESTICIDE USE SURVEY.—Section 10109(c) of the Agriculture Improvement Act of 2018 (Public Law 115–334; 132 Stat. 4907) is amended by adding at the end the following:

''(3) FURTHER MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $5,000,000 for fiscal year 2026, to remain available until expended.''.

SEC. 10607. MISCELLANEOUS.

(a) ANIMAL DISEASE PREVENTION AND MANAGEMENT.—Section 10409A(d)(1) of the Animal Health Protection Act (7 U.S.C. 8308a(d)(1)) is amended—

(1) in subparagraph (B)—

(A) in the heading, by striking ''SUBSEQUENT FISCAL YEARS'' and inserting ''FISCAL YEARS 2023 THROUGH 2025''; and

(B) by striking ''fiscal year 2023 and each fiscal year thereafter'' and inserting ''each of fiscal years 2023 through 2025''; and

(2) by adding at the end the following:

''(C) FISCAL YEARS 2026 THROUGH 2030.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section $233,000,000 for each of fiscal years 2026 through 2030, of which—

''(i) not less than $10,000,000 shall be made available for each such fiscal year to carry out subsection (a);

''(ii) not less than $70,000,000 shall be made available for each such fiscal year to carry out subsection (b); and

''(iii) not less than $153,000,000 shall be made available for each such fiscal year to carry out subsection (c).

''(D) SUBSEQUENT FISCAL YEARS.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section $75,000,000 for fiscal year 2031 and each fiscal year thereafter, of which not less than $45,000,000 shall be made available for each of those fiscal years to carry out subsection (b).''.

(b) SHEEP PRODUCTION AND MARKETING GRANT PROGRAM.—Section 209(c) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627a(c)) is amended—

(1) by striking ''2019, and'' and inserting ''2019,''; and

(2) by inserting ''and $3,000,000 for fiscal year 2026,'' after ''fiscal year 2024,''

(c) PIMA AGRICULTURE COTTON TRUST FUND.—Section 12314 of the Agricultural Act of 2014 (7 U.S.C. 2101 note; Public Law 113–79) is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by striking ''2024'' and inserting ''2031''; and

(2) in subsection (h), by striking ''2024''and inserting ''2031''.

(d) AGRICULTURE WOOL APPAREL MANUFACTURERS TRUST FUND.—Section 12315 of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended by striking ''2024'' each place it appears and inserting ''2031''.

(e) WOOL RESEARCH AND PROMOTION.—Section 12316(a) of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended by striking ''2024'' and inserting ''2031''.

(f) EMERGENCY CITRUS DISEASE RESEARCH AND DEVELOPMENT TRUST FUND.—Section 12605(d) of the Agriculture Improvement Act of 2018 (7 U.S.C. 7632 note; Public Law 115–334) is amended by striking ''2024'' and inserting ''2031''.

TITLE II—COMMITTEE ON ARMED SERVICES

SEC. 20001. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR IMPROVING THE QUALITY OF LIFE FOR MILITARY PERSONNEL.

(a) APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $230,480,000 for restoration and modernization costs under the Marine Corps Barracks 2030 initiative;

(2) $119,000,000 for base operating support costs under the Marine Corps;

(3) $1,000,000,000 for Army, Navy, Air Force, and Space Force sustainment, restoration, and modernization of military unaccompanied housing;

(4) $2,000,000,000 for the Defense Health Program;

(5) $2,900,000,000 to supplement the basic allowance for housing payable to members of the Army, Air Force, Navy, Marine Corps, and Space Force , notwithstanding section 403 of title 37, United States Code;

(6) $50,000,000 for bonuses, special pays, and incentive pays for members of the Army, Air Force, Navy, Marine Corps, and Space Force pursuant to titles 10 and 37, United States Code;

(7) $10,000,000 for the Defense Activity for Non-Traditional Education Support's Online Academic Skills Course program for members of the Army, Air Force, Navy, Marine Corps, and Space Force;

(8) $100,000,000 for tuition assistance for members of the Army, Air Force, Navy, Marine Corps, and Space Force pursuant to title 10, United States Code;

(9) $100,000,000 for child care fee assistance for members of the Army, Air Force, Navy, Marine Corps, and Space Force under part II of chapter 88 of title 10, United States Code;

(10) $590,000,000 to increase the Temporary Lodging Expense Allowance under chapter 8 of title 37, United States Code, to 21 days;

(11) $100,000,000 for Department of Defense Impact Aid payments to local educational agencies under section 2008 of title 10, United States Code;

(12) $10,000,000 for military spouse professional licensure under section 1784 of title 10, United States Code;

(13) $6,000,000 for Armed Forces Retirement Home facilities;

(14) $100,000,000 for the Defense Community Infrastructure Program;

(15) $100,000,000 for Defense Advanced Research Projects Agency (DARPA) casualty care research; and

(16) $62,000,000 for modernization of Department of Defense childcare center staffing.

(b) TEMPORARY INCREASE IN PERCENTAGE OF VALUE OF AUTHORIZED INVESTMENT IN CERTAIN PRIVATIZED MILITARY HOUSING PROJECTS.—

(1) IN GENERAL.—During the period beginning on the date of the enactment of this section and ending on September 30, 2029, the Secretary concerned shall apply—

(A) paragraph (1) of subsection (c) of section 2875 of title 10, United States Code, by substituting ''60 percent'' for ''33 ⅓ percent''; and

(B) paragraph (2) of such subsection by substituting ''60 percent'' for ''45 percent''.

(2) SECRETARY CONCERNED DEFINED.—In this subsection, the term ''Secretary concerned'' has the meaning given such term in section 101 of title 10, United States Code.

(c) TEMPORARY AUTHORITY FOR ACQUISITION OR CONSTRUCTION OF PRIVATIZED MILITARY UNACCOMPANIED HOUSING.—Section 2881a of title 10, United States Code, is amended—

(1) by striking the heading and inserting ''**Temporary authority for acquisition or construction of privatized military unaccompanied housing**'';

(2) by striking ''Secretary of the Navy'' each place it appears and inserting ''Secretary concerned'';

(3) by striking ''under the pilot projects'' each place it appears and inserting ''pursuant to this section'';

(4) in subsection (a)—

(A) by striking the heading and inserting ''IN GENERAL''; and

(B) by striking ''carry out not more than three pilot projects under the authority of this section or another provision of this subchapter to use the private sector'' and inserting ''use the authority under this subchapter to enter into contracts with appropriate private sector entities'';

(5) in subsection (c), by striking ''privatized housing'' and inserting ''privatized housing units'';

(6) by redesignating subsection (f) as subsection (e); and

(7) in subsection (e) (as so redesignated)—

(A) by striking ''under the pilot programs'' and inserting ''under this section''; and

(B) by striking ''September 30, 2009'' and inserting ''September 30, 2029''.

SEC. 20002. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR SHIPBUILDING.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $250,000,000 for the expansion of accelerated Training in Defense Manufacturing program;

(2) $250,000,000 for United States production of turbine generators for shipbuilding industrial base;

(3) $450,000,000 for United States additive manufacturing for wire production and machining capacity for shipbuilding industrial base;

(4) $492,000,000 for next-generation shipbuilding techniques;
(5) $85,000,000 for United States-made steel plate for shipbuilding industrial base;
(6) $50,000,000 for machining capacity for naval propellers for shipbuilding industrial base;
(7) $110,000,000 for rolled steel and fabrication facility for shipbuilding industrial base;
(8) $400,000,000 for expansion of collaborative campus for naval shipbuilding;
(9) $450,000,000 for application of autonomy and artificial intelligence to naval shipbuilding;
(10) $500,000,000 for the adoption of advanced manufacturing techniques in the shipbuilding industrial base;
(11) $500,000,000 for additional dry-dock capability;
(12) $50,000,000 for the expansion of cold spray repair technologies;
(13) $450,000,000 for additional maritime industrial workforce development programs;
(14) $750,000,000 for additional supplier development across the naval shipbuilding industrial base;
(15) $250,000,000 for additional advanced manufacturing processes across the naval shipbuilding industrial base;
(16) $4,600,000,000 for a second Virginia-class submarine in fiscal year 2026;
(17) $5,400,000,000 for two additional Guided Missile Destroyer (DDG) ships;
(18) $160,000,000 for advanced procurement for Landing Ship Medium;
(19) $1,803,941,000 for procurement of Landing Ship Medium;
(20) $295,000,000 for development of a second Landing Craft Utility shipyard and production of additional Landing Craft Utility;
(21) $100,000,000 for advanced procurement for light replenishment oiler program;
(22) $600,000,000 for the lease or purchase of new ships through the National Defense Sealift Fund;
(23) $2,725,000,000 for the procurement of T-AO oilers;
(24) $500,000,000 for cost-to-complete for rescue and salvage ships;
(25) $300,000,000 for production of ship-to-shore connectors;
(26) $1,470,000,000 for the implementation of a multi-ship amphibious warship contract;
(27) $80,000,000 for accelerated development of vertical launch system reloading at sea;
(28) $250,000,000 for expansion of Navy corrosion control programs;
(29) $159,000,000 for leasing of ships for Marine Corps operations;
(30) $1,534,000,000 for expansion of small unmanned surface vessel production;
(31) $2,100,000,000 for development, procurement, and integration of purpose-built medium unmanned surface vessels;
(32) $1,300,000,000 for expansion of unmanned underwater vehicle production;
(33) $188,360,000 for the development and testing of maritime robotic autonomous systems and enabling technologies;
(34) $174,000,000 for the development of a Test Resource Management Center robotic autonomous systems proving ground;
(35) $250,000,000 for the development, production, and integration of wave-powered unmanned underwater vehicles; and
(36) $150,000,000 for retention of inactive reserve fleet ships.

SEC. 20003. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR INTEGRATED AIR AND MISSILE DEFENSE.

(a) NEXT GENERATION MISSILE DEFENSE TECHNOLOGIES.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—
(1) $250,000,000 for development and testing of directed energy capabilities by the Under Secretary for Research and Engineering;
(2) $500,000,000 for national security space launch infrastructure;
(3) $2,000,000,000 for air moving target indicator military satellites;
(4) $400,000,000 for expansion of Multi-Service Advanced Capability Hypersonic Test Bed program;
(5) $5,600,000,000 for development of space-based and boost phase intercept capabilities;
(6) $7,200,000,000 for the development, procurement, and integration of military space-based sensors; and
(7) $2,550,000,000 for the development, procurement, and integration of military missile defense capabilities.
(b) LAYERED HOMELAND DEFENSE.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—
(1) $2,200,000,000 for acceleration of hypersonic defense systems;
(2) $800,000,000 for accelerated development and deployment of next-generation intercontinental ballistic missile defense systems;
(3) $408,000,000 for Army space and strategic missile test range infrastructure restoration and modernization in the United States Indo-Pacific Command area of operations west of the international dateline;
(4) $1,975,000,000 for improved ground-based missile defense radars; and
(5) $530,000,000 for the design and construction of Missile Defense Agency missile instrumentation range safety ship.

SEC. 20004. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR MUNITIONS AND DEFENSE SUPPLY CHAIN RESILIENCY.

(a) APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—
(1) $400,000,000 for the development, production, and integration of Navy and Air Force long-range anti-ship missiles;
(2) $380,000,000 for production capacity expansion for Navy and Air Force long-range anti-ship missiles;
(3) $490,000,000 for the development, production, and integration of Navy and Air Force long-range air-to-surface missiles;
(4) $94,000,000 for the development, production, and integration of alternative Navy and Air Force long-range air-to-surface missiles;
(5) $630,000,000 for the development, production, and integration of long-range Navy air defense and anti-ship missiles;
(6) $688,000,000 for the development, production, and integration of long-range multi-service cruise missiles;
(7) $250,000,000 for production capacity expansion and supplier base strengthening of long-range multi-service cruise missiles;
(8) $70,000,000 for the development, production, and integration of short-range Navy and Marine Corps anti-ship missiles;
(9) $100,000,000 for the development of an anti-ship seeker for short-range Army ballistic missiles;
(10) $175,000,000 for production capacity expansion for next-generation Army medium-range ballistic missiles;
(11) $50,000,000 for the mitigation of diminishing manufacturing sources for medium-range air-to-air missiles;
(12) $250,000,000 for the procurement of medium-range air-to-air missiles;
(13) $225,000,000 for the expansion of production capacity for medium-range air-to-air missiles;
(14) $50,000,000 for the development of second sources for components of short-range air-to-air missiles;
(15) $325,000,000 for production capacity improvements for air-launched anti-radiation missiles;
(16) $50,000,000 for the accelerated development of Army next-generation medium-range anti-ship ballistic missiles;
(17) $114,000,000 for the production of Army next-generation medium-range ballistic missiles;
(18) $300,000,000 for the production of Army medium-range ballistic missiles;
(19) $85,000,000 for the accelerated development of Army long-range ballistic missiles;
(20) $400,000,000 for the production of heavyweight torpedoes;
(21) $200,000,000 for the development, procurement, and integration of mass-producible autonomous underwater munitions;
(22) $70,000,000 for the improvement of heavyweight torpedo maintenance activities;
(23) $200,000,000 for the production of lightweight torpedoes;
(24) $500,000,000 for the development, procurement, and integration of maritime mines;
(25) $50,000,000 for the development, procurement, and integration of new underwater explosives;
(26) $55,000,000 for the development, procurement, and integration of lightweight multi-mission torpedoes;
(27) $80,000,000 for the production of sonobuoys;
(28) $150,000,000 for the development, procurement, and integration of air-delivered long-range maritime mines;
(29) $61,000,000 for the acceleration of Navy expeditionary loitering munitions deployment;
(30) $50,000,000 for the acceleration of one-way attack unmanned aerial systems with advanced autonomy;
(31) $1,000,000,000 for the expansion of the one-way attack unmanned aerial systems industrial base;
(32) $200,000,000 for investments in solid rocket motor industrial base through the Industrial Base Fund established under section 4817 of title 10, United States Code;
(33) $400,000,000 for investments in the emerging solid rocket motor industrial base through the Industrial Base Fund established under section 4817 of title 10, United States Code;
(34) $42,000,000 for investments in second sources for large-diameter solid rocket motors for hypersonic missiles;
(35) $1,000,000,000 for the creation of next-generation automated munitions production factories;
(36) $170,000,000 for the development of advanced radar depot for repair, testing, and production of radar and electronic warfare systems;
(37) $25,000,000 for the expansion of the Department of Defense industrial base policy analysis workforce;
(38) $30,300,000 for the repair of Army missiles;
(39) $100,000,000 for the production of small and medium ammunition;
(40) $2,000,000,000 for additional activities to improve the United States stockpile of critical minerals through the National Defense Stockpile Transaction Fund, authorized by subchapter III of chapter 5 of title 50, United States Code;
(41) $10,000,000 for the expansion of the Department of Defense armaments cooperation workforce;
(42) $500,000,000 for the expansion of the Defense Exportability Features program;
(43) $350,000,000 for production of Navy long-range air and missile defense interceptors;

(44) $93,000,000 for replacement of Navy long-range air and missile defense interceptors;

(45) $100,000,000 for development of a second solid rocket motor source for Navy air defense and anti ship missiles;

(46) $65,000,000 for expansion of production capacity of Missile Defense Agency long-range anti-ballistic missiles;

(47) $225,000,000 for expansion of production capacity for Navy air defense and anti-ship missiles;

(48) $103,300,000 for expansion of depot level maintenance facility for Navy long-range air and missile defense interceptors;

(49) $18,000,000 for creation of domestic source for guidance section of Navy short-range air defense missiles;

(50) $65,000,000 for integration of Army medium-range air and missile defense interceptor with Navy ships;

(51) $176,100,000 for production of Army long-range movable missile defense radar;

(52) $167,000,000 for accelerated fielding of Army short-range gun-based air and missile defense system;

(53) $40,000,000 for development of low-cost alternatives to air and missile defense interceptors;

(54) $50,000,000 for acceleration of Army next-generation shoulder-fired air defense system;

(55) $91,000,000 for production of Army next-generation shoulder-fired air defense system;

(56) $500,000,000 for development, production, and integration of counter-unmanned aerial systems programs;

(57) $350,000,000 for development, production, and integration of non-kinetic counter-unmanned aerial systems programs;

(58) $250,000,000 for development, production, and integration of land-based counter-unmanned aerial systems programs;

(59) $200,000,000 for development, production, and integration of ship-based counter-unmanned aerial systems programs;

(60) $400,000,000 for acceleration of hypersonic strike programs;

(61) $167,000,000 for procurement of additional launchers for Army medium-range air and missile defense interceptors;

(62) $500,000,000 for expansion of defense advanced manufacturing techniques;

(63) $1,000,000 for establishment of the Joint Energetics Transition Office;

(64) $200,000,000 for acceleration of Army medium-range air and missile defense interceptors;

(65) $150,000,000 for additive manufacturing for propellant;

(66) $250,000,000 for expansion and acceleration of penetrating munitions production; and

(67) $50,000,000 for development, procurement, and integration of precision extended-range artillery.

(b) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $3,300,000,000 for grants and purchase commitments made pursuant to the Industrial Base Fund established under section 4817 of title 10, United States Code.

(c) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $5,000,000,000 for investments in critical minerals supply chains made pursuant to the Industrial Base Fund established under section 4817 of title 10, United States Code.

(d) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Secretary of Defense, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $500,000,000 to the ''Department of Defense Credit Program Account'' to carry out the capital assistance program, including loans, loan guarantees, and technical assistance, established under section 149(e) of title 10, United States Code, for critical minerals and related industries and projects, including related Covered Technology Categories: *Provided*, That—

(1) such amounts are available to subsidize gross obligations for the principal amount of direct loans, and total loan principal, any part of which is to be guaranteed, not to exceed $100,000,000,000; and

(2) such amounts are available to cover all costs and expenditures as provided under section 149(e)(5)(B) of title 10, United States Code.

SEC. 20005. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR SCALING LOW-COST WEAPONS INTO PRODUCTION.

(a) APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $25,000,000 for the Office of Strategic Capital Global Technology Scout program;

(2) $1,400,000,000 for the expansion of the small unmanned aerial system industrial base;

(3) $400,000,000 for the development and deployment of the Joint Fires Network and associated joint battle management capabilities;

(4) $400,000,000 for the expansion of advanced command-and-control tools to combatant commands and military departments;

(5) $100,000,000 for the development of shared secure facilities for the defense industrial base;

(6) $50,000,000 for the creation of additional Defense Innovation Unit OnRamp Hubs;

(7) $600,000,000 for the acceleration of Strategic Capabilities Office programs;

(8) $650,000,000 for the expansion of Mission Capabilities office joint prototyping and experimentation activities for military innovation;

(9) $500,000,000 for the accelerated development and integration of advanced 5G/6G technologies for military use;

(10) $25,000,000 for testing of simultaneous transmit and receive technology for military spectrum agility;

(11) $50,000,000 for the development, procurement, and integration of high-altitude stratospheric balloons for military use;

(12) $120,000,000 for the development, procurement, and integration of long-endurance unmanned aerial systems for surveillance;

(13) $40,000,000 for the development, procurement, and integration of alternative positioning and navigation technology to enable military operations in contested electromagnetic environments;

(14) $750,000,000 for the acceleration of innovative military logistics and energy capability development and deployment;

(15) $125,000,000 for the acceleration of development of small, portable modular nuclear reactors for military use;

(16) $1,000,000,000 for the expansion of programs to accelerate the procurement and fielding of innovative technologies;

(17) $90,000,000 for the development of reusable hypersonic technology for military strikes;

(18) $2,000,000,000 for the expansion of Defense Innovation Unit scaling of commercial technology for military use;

(19) $500,000,000 to prevent delays in delivery of attritable autonomous military capabilities;

(20) $1,500,000,000 for the development, procurement, and integration of low-cost cruise missiles;

(21) $124,000,000 for improvements to Test Resource Management Center artificial intelligence capabilities;

(22) $145,000,000 for the development of artificial intelligence to enable one-way attack unmanned aerial systems and naval systems;

(23) $250,000,000 for the development of the Test Resource Management Center digital test environment;

(24) $250,000,000 for the advancement of the artificial intelligence ecosystem;

(25) $250,000,000 for the expansion of Cyber Command artificial intelligence lines of effort;

(26) $250,000,000 for the acceleration of the Quantum Benchmarking Initiative;

(27) $1,000,000,000 for the expansion and acceleration of qualification activities and technical data management to enhance competition in defense industrial base;

(28) $400,000,000 for the expansion of the defense manufacturing technology program;

(29) $1,685,000,000 for military cryptographic modernization activities;

(30) $90,000,000 for APEX Accelerators, the Mentor-Protege Program, and cybersecurity support to small non-traditional contractors;

(31) $250,000,000 for the development, procurement, and integration of Air Force low-cost counter-air capabilities;

(32) $10,000,000 for additional Air Force wargaming activities; and

(33) $20,000,000 for the Office of Strategic Capital workforce.

(b) APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $1,000,000,000 to the ''Department of Defense Credit Program Account'' to carry out the capital assistance program, including loans, loan guarantees, and technical assistance, established under section 149(e) of title 10, United States Code: *Provided*, That—

(1) such amounts are available to subsidize gross obligations for the principal amount of direct loans, and total loan principal, any part of which is to be guaranteed, not to exceed $100,000,000,000; and

(2) such amounts are available to cover all costs and expenditures as provided under section 149(e)(5)(B) of title 10, United States Code.

SEC. 20006. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR IMPROVING THE EFFICIENCY AND CYBERSECURITY OF THE DEPARTMENT OF DEFENSE.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $150,000,000 for business systems replacement to accelerate the audits of the financial statements of the Department of Defense pursuant to chapter 9A and section 2222 of title 10, United States Code;

(2) $200,000,000 for the deployment of automation and artificial intelligence to accelerate the audits of the financial statements of the Department of Defense pursuant to chapter 9A and section 2222 of title 10, United States Code;

(3) $10,000,000 for the improvement of the budgetary and programmatic infrastructure of the Office of the Secretary of Defense; and

(4) $20,000,000 for defense cybersecurity programs of the Defense Advanced Research Projects Agency.

SEC. 20007. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR AIR SUPERIORITY.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $3,150,000,000 to increase F–15EX aircraft production;

(2) $361,220,000 to prevent the retirement of F–22 aircraft;

(3) $127,460,000 to prevent the retirement of F–15E aircraft;

(4) $187,000,000 to accelerate installation of F–16 electronic warfare capability;

(5) $116,000,000 for C–17A Mobility Aircraft Connectivity;

(6) $84,000,000 for KC–135 Mobility Aircraft Connectivity;

(7) $440,000,000 to increase C–130J production;

(8) $474,000,000 to increase EA–37B production;

(9) $678,000,000 to accelerate the Collaborative Combat Aircraft program;

(10) $400,000,000 to accelerate production of the F–47 aircraft;

(11) $750,000,000 accelerate the FA/XX aircraft;

(12) $100,000,000 for production of Advanced Aerial Sensors;

(13) $160,000,000 to accelerate V–22 nacelle and reliability and safety improvements;

(14) $100,000,000 to accelerate production of MQ–25 aircraft;

(15) $270,000,000 for development, procurement, and integration of Marine Corps unmanned combat aircraft;

(16) $96,000,000 for the procurement and integration of infrared search and track pods;

(17) $50,000,000 for the procurement and integration of additional F–15EX conformal fuel tanks;

(18) $600,000,000 for the development, procurement, and integration of Air Force long-range strike aircraft; and

(19) $500,000,000 for the development, procurement, and integration of Navy long-range strike aircraft.

SEC. 20008. ENHANCEMENT OF RESOURCES FOR NUCLEAR FORCES.

(a) DOD APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $2,500,000,000 for risk reduction activities for the Sentinel intercontinental ballistic missile program;

(2) $4,500,000,000 only for expansion of production capacity of B–21 long-range bomber aircraft and the purchase of aircraft only available through the expansion of production capacity;

(3) $500,000,000 for improvements to the Minuteman III intercontinental ballistic missile system;

(4) $100,000,000 for capability enhancements to intercontinental ballistic missile reentry vehicles;

(5) $148,000,000 for the expansion of D5 missile motor production;

(6) $400,000,000 to accelerate the development of Trident D5LE2 submarine-launched ballistic missiles;

(7) $2,000,000,000 to accelerate the development, procurement, and integration of the nuclear-armed sea-launched cruise missile;

(8) $62,000,000 to convert Ohio-class submarine tubes to accept additional missiles, not to be obligated before March 1, 2026;

(9) $168,000,000 to accelerate the production of the Survivable Airborne Operations Center program;

(10) $65,000,000 to accelerate the modernization of nuclear command, control, and communications;

(11) $210,300,000 for the increased production of MH–139 helicopters; and

(12) $150,000,000 to accelerate the development, procurement, and integration of military nuclear weapons delivery programs.

(b) NNSA APPROPRIATIONS.—In addition to amounts otherwise available, there are appropriated to the Administrator of the National Nuclear Security Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $200,000,000 to perform National Nuclear Security Administration Phase 1 studies pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(2) $540,000,000 to address deferred maintenance and repair needs of the National Nuclear Security Administration pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(3) $1,000,000,000 to accelerate the construction of National Nuclear Security Administration facilities pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(4) $400,000,000 to accelerate the development, procurement, and integration of the warhead for the nuclear-armed sea-launched cruise missile pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(5) $750,000,000 to accelerate primary capability modernization pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(6) $750,000,000 to accelerate secondary capability modernization pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(7) $120,000,000 to accelerate domestic uranium enrichment centrifuge deployment for defense purposes pursuant to section 3211 of the National Nuclear Security Administration Act (50 U.S.C. 2401);

(8) $10,000,000 for National Nuclear Security Administration evaluation of spent fuel reprocessing technology; and

(9) $115,000,000 for accelerating nuclear national security missions through artificial intelligence.

SEC. 20009. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES TO IMPROVE CAPABILITIES OF UNITED STATES INDO-PACIFIC COMMAND.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $365,000,000 for Army exercises and operations in the Western Pacific area of operations;

(2) $53,000,000 for Special Operations Command exercises and operations in the Western Pacific area of operations;

(3) $47,000,000 for Marine Corps exercises and operations in Western Pacific area of operations;

(4) $90,000,000 for Air Force exercises and operations in Western Pacific area of operations;

(5) $532,600,000 for the Pacific Air Force biennial large-scale exercise;

(6) $19,000,000 for the development of naval small craft capabilities;

(7) $35,000,000 for military additive manufacturing capabilities in the United States Indo-Pacific Command area of operations west of the international dateline;

(8) $450,000,000 for the development of airfields within the area of operations of United States Indo-Pacific Command;

(9) $1,100,000,000 for development of infrastructure within the area of operations of United States Indo-Pacific Command;

(10) $124,000,000 for mission networks for United States Indo-Pacific Command;

(11) $100,000,000 for Air Force regionally based cluster pre-position base kits;

(12) $115,000,000 for exploration and development of existing Arctic infrastructure;

(13) $90,000,000 for the accelerated development of non-kinetic capabilities;

(14) $20,000,000 for United States Indo-Pacific Command military exercises;

(15) $143,000,000 for anti-submarine sonar arrays;

(16) $30,000,000 for surveillance and reconnaissance capabilities for United States Africa Command;

(17) $30,000,000 for surveillance and reconnaissance capabilities for United States Indo-Pacific Command;

(18) $500,000,000 for the development, coordination, and deployment of economic competition effects within the Department of Defense;

(19) $10,000,000 for the expansion of Department of Defense workforce for economic competition;

(20) $1,000,000,000 for offensive cyber operations;

(21) $500,000,000 for personnel and operations costs associated with forces assigned to United States Indo-Pacific Command;

(22) $300,000,000 for the procurement of mesh network communications capabilities for Special Operations Command Pacific;

(23) $850,000,000 for the replenishment of military articles;

(24) $200,000,000 for acceleration of Guam Defense System program;

(25) $68,000,000 for Space Force facilities improvements;

(26) $150,000,000 for ground moving target indicator military satellites;

(27) $528,000,000 for DARC and SILENTBARKER military space situational awareness programs;

(28) $80,000,000 for Navy Operational Support Division;

(29) $1,000,000,000 for the X–37B military spacecraft program;

(30) $3,650,000,000 for the development, procurement, and integration of United States military satellites and the protection of United States military satellites.

(31) $125,000,000 for the development, procurement, and integration of military space communications.

(32) $350,000,000 for the development, procurement, and integration of military space command and control systems.

SEC. 20010. ENHANCEMENT OF DEPARTMENT OF DEFENSE RESOURCES FOR IMPROVING THE READINESS OF THE DEPARTMENT OF DEFENSE.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $1,400,000,000 for a pilot program on OPN-8 maritime spares and repair rotable pool;

(2) $700,000,000 for a pilot program on OPN-8 maritime spares and repair rotable pool for amphibious ships;

(3) $2,118,000,000 for spares and repairs to keep Air Force aircraft mission capable;

(4) $1,500,000,000 for Army depot modernization and capacity enhancement;

(5) $2,000,000,000 for Navy depot and shipyard modernization and capacity enhancement;

(6) $250,000,000 for Air Force depot modernization and capacity enhancement;

(7) $1,640,000,000 for Special Operations Command equipment, readiness, and operations;

(8) $500,000,000 for National Guard unit readiness;

(9) $400,000,000 for Marine Corps readiness and capabilities;

(10) $20,000,000 for upgrades to Marine Corps utility helicopters;

(11) $310,000,000 for next-generation vertical lift, assault, and intra-theater aeromedical evacuation aircraft;

(12) $75,000,000 for the procurement of anti-lock braking systems for Army wheeled transport vehicles;

(13) $230,000,000 for the procurement of Army wheeled combat vehicles;

(14) $63,000,000 for the development of advanced rotary-wing engines;

(15) $241,000,000 for the development, procurement, and integration of Marine Corps amphibious vehicles;

(16) $250,000,000 for the procurement of Army tracked combat transport vehicles;

(17) $98,000,000 for additional Army light rotary-wing capabilities;

(18) $1,500,000,000 for increased depot maintenance and shipyard maintenance activities;

(19) $2,500,000,000 for Air Force facilities sustainment, restoration, and modernization;

(20) $92,500,000 for the completion of Robotic Combat Vehicle prototyping;

(21) $125,000,000 for Army operations;

(22) $10,000,000 for the Air Force Concepts, Development, and Management Office; and

(23) $320,000,000 for Joint Special Operations Command.

SEC. 20011. IMPROVING DEPARTMENT OF DEFENSE BORDER SUPPORT AND COUNTER-DRUG MISSIONS.

In addition to amounts otherwise available, there are appropriated to the Secretary of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $1,000,000,000 for the deployment of military personnel in support of border operations, operations and maintenance activities in support of border operations, counter-narcotics and counter-transnational criminal organization mission support, the operation of national defense areas and construction in national defense areas, and the temporary detention of migrants on Department of Defense installations, in accordance with chapter 15 of title 10, United States Code.

SEC. 20012. DEPARTMENT OF DEFENSE OVERSIGHT.

In addition to amounts otherwise available, there is appropriated to the Inspector General of the Department of Defense for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $10,000,000, to remain available through September 30, 2029, to monitor Department of Defense activities for which funding is appropriated in this title, including—

(1) programs with mutual technological dependencies;

(2) programs with related data management and data ownership considerations; and

(3) programs particularly vulnerable to supply chain disruptions and long lead time components.

SEC. 20013. MILITARY CONSTRUCTION PROJECTS AUTHORIZED.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for military construction, land acquisition, and military family housing functions of each military department (as defined in section 101(a) of title 10, United States Code) as specified in this title.

(b) SPENDING PLAN.—Not later than 30 days after the date of the enactment of this title, the Secretary of each military department shall submit to the Committees on Armed Services of the Senate and House of Representatives a detailed spending plan by project for all funds made available by this title to be expended on military construction projects.

TITLE III—COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 30001. FUNDING CAP FOR THE BUREAU OF CONSUMER FINANCIAL PROTECTION.

Section 1017(a)(2)(A)(iii) of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5497(a)(2)(A)(iii)) is amended by striking ''12'' and inserting ''6.5''.

SEC. 30002. RESCISSION OF FUNDS FOR GREEN AND RESILIENT RETROFIT PROGRAM FOR MULTIFAMILY HOUSING.

The unobligated balances of amounts made available under section 30002(a) of the Act entitled ''An Act to provide for reconciliation pursuant to title II of S. Con. Res. 14'', approved August 16, 2022 (Public Law 117–169; 136 Stat. 2027) are rescinded.

SEC. 30003. SECURITIES AND EXCHANGE COMMISSION RESERVE FUND.

(a) IN GENERAL.—Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended—

(1) by striking subsection (i); and

(2) by redesignating subsections (j) and (k) as subsections (i) and (j), respectively.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 21F(g)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6(g)(2)) is amended to read as follows:

''(a) USE OF FUND.—The Fund shall be available to the Commission, without further appropriation or fiscal year limitation, for paying awards to whistleblowers as provided in subsection (b).''.

(c) TRANSITION PROVISION.—During the period beginning on the date of enactment of this Act and ending on October 1, 2025, the Securities and Exchange Commission may expend amounts in the Securities and Exchange Commission Reserve Fund that were obligated before the date of enactment of this Act for any program, project, or activity that is ongoing (as of the day before the date of enactment of this Act) in accordance with subsection (i) of section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d), as in effect on the day before the date of enactment of this Act.

(d) TRANSFER OF REMAINING AMOUNTS.—Effective on October 1, 2025, the obligated and unobligated balances of amounts in the Securities and Exchange Commission Reserve Fund shall be transferred to the general fund of the Treasury.

(e) CLOSING OF ACCOUNT.—For the purposes of section 1555 of title 31, United States Code, the Securities and Exchange Commission Reserve Fund shall be considered closed, and thereafter shall not be available for obligation or expenditure for any purpose, upon execution of the transfer required under subsection (d).

SEC. 30004. APPROPRIATIONS FOR DEFENSE PRODUCTION ACT.

In addition to amounts otherwise available, there is appropriated for fiscal year 2025, out of amounts not otherwise appropriated, $1,000,000,000, to remain available until September 30, 2027, to carry out the Defense Production Act (50 U.S.C. 4501 et seq.).

TITLE IV—COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 40001. COAST GUARD MISSION READINESS.

(a) IN GENERAL.—Chapter 11 of title 14, United States Code, is amended by adding at the end the following:

''Subchapter V—Coast Guard Mission Readiness

''§ 1181. Special appropriations

''In addition to amounts otherwise available, there is appropriated to the Coast Guard for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $24,593,500,000, to remain available until September 30, 2029, notwithstanding paragraphs (1) and (2) of section 1105(a) and sections 1131, 1132, 1133, and 1156, to use expedited processes to procure or acquire new operational assets and systems, to maintain existing assets and systems, to design, construct, plan, engineer, and improve necessary shore infrastructure, and to enhance operational resilience for monitoring, search and rescue, interdiction, hardening of maritime approaches, and navigational safety, of which—

''(1) $1,142,500,000 is provided for procurement and acquisition of fixed-wing aircraft, equipment related to such aircraft and training simulators and program management for such aircraft, to provide for security of the maritime border;

''(2) $2,283,000,000 is provided for procurement and acquisition of rotary-wing aircraft, equipment related to such aircraft and training simulators and program management for such aircraft, to provide for security of the maritime border;

''(3) $266,000,000 is provided for procurement and acquisition of long-range unmanned aircraft and base stations, equipment related to such aircraft and base stations, and program management for such aircraft and base stations, to provide for security of the maritime border;

''(4) $4,300,000,000 is provided for procurement of Offshore Patrol Cutters, equipment related to such cutters, and program management for such cutters, to provide operational presence and security of the maritime border and for interdiction of persons and controlled substances;

''(5) $1,000,000,000 is provided for procurement of Fast Response Cutters, equipment related to such cutters, and program management for such cutters, to provide operational presence and security of the maritime border and for interdiction of persons and controlled substances;

''(6) $4,300,000,000 is provided for procurement of Polar Security Cutters, equipment related to such cutters, and program management for such cutters, to ensure timely presence of the Coast Guard in the Arctic and Antarctic regions;

''(7) $3,500,000,000 is provided for procurement of Arctic Security Cutters, equipment related to such cutters, and program management for such cutters, to ensure timely presence of the Coast Guard in the Arctic and Antarctic regions;

''(8) $816,000,000 is provided for procurement of light and medium icebreaking cutters, and equipment relating to such cutters, from shipyards that have demonstrated success in the cost-effective application of design standards and in delivering, on schedule and within budget, vessels of a size and tonnage that are not less than the size and tonnage of the cutters described in this paragraph, and for program management for such cutters, to expand domestic icebreaking capacity;

''(9) $162,000,000 is provided for procurement of Waterways Commerce Cutters, equipment related to such cutters, and program management for such cutters, to support aids to navigation, waterways and coastal security, and search and rescue in inland waterways;

''(10) $4,379,000,000 is provided for design, planning, engineering, recapitalization, construction, rebuilding, and improvement of, and program management for, shore facilities, of which—

''(A) $425,000,000 is provided for design, planning, engineering, construction of, and program management for—

''(i) the enlisted boot camp barracks and multi-use training center; and

''(ii) other related facilities at the enlisted boot camp;

''(B) $500,000,000 is provided for—

''(i) construction, improvement, and dredging at the Coast Guard Yard; and

''(ii) acquisition of a floating drydock for the Coast Guard Yard;

''(C) not more than $2,729,500,000 is provided for homeports and hangars for cutters and aircraft for which funds are appropriated under paragraph (1) through (9); and

''(D) $300,000,000 is provided for homeporting of the existing polar icebreaker commissioned into service in 2025;

''(11) $2,200,000,000 is provided for aviation, cutter, and shore facility depot maintenance and maintenance of command, control, communication, computer, and cyber assets;

''(12) $170,000,000 is provided for improving maritime domain awareness on the maritime border, at United States ports, at land-based facilities and in the cyber domain; and

''(13) $75,000,000 is provided to contract the services of, acquire, or procure autonomous maritime systems.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 11 of title 14, United States Code, is amended by adding at the end the following:

''SUBCHAPTER V—COAST GUARD MISSION READINESS

''1181. Special appropriations.''.

SEC. 40002. SPECTRUM AUCTIONS.

(a) DEFINITIONS.—In this section:

(1) ASSISTANT SECRETARY.—The term ''Assistant Secretary'' means the Assistant Secretary of Commerce for Communications and Information.

(2) COMMISSION.—The term ''Commission'' means the Federal Communications Commission.

(3) COVERED BAND.—The term ''covered band''—

(A) except as provided in subparagraph (B), means the band of frequencies between 1.3 gigahertz and 10.5 gigahertz; and

(B) does not include—

(i) the band of frequencies between 3.1 gigahertz and 3.45 gigahertz for purposes of auction, reallocation, modification, or withdrawal; or

(ii) the band of frequencies between 7.4 gigahertz and 8.4 gigahertz for purposes of auction, reallocation, modification, or withdrawal.

(4) FULL-POWER COMMERCIAL LICENSED USE CASES.—The term ''full-power commercial licensed use cases'' means flexible use wireless broadband services with base station power levels sufficient for high-power, high-density, and wide-area commercial mobile services, consistent with the service rules under part 27 of title 47, Code of Federal Regulations, or any successor regulations, for wireless broadband deployments throughout the covered band.

(b) GENERAL AUCTION AUTHORITY.—

(1) AMENDMENT.—Section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)) is amended by striking ''grant a license or permit under this subsection shall expire March 9, 2023'' and all that follows and inserting the following: ″complete a system of competitive bidding under this subsection shall expire September 30, 2034, except that, with respect to the electromagnetic spectrum— ''

''(A) between the frequencies of 3.1 gigahertz and 3.45 gigahertz, such authority shall not apply; and

''(B) between the frequencies of 7.4 gigahertz and 8.4 gigahertz, such authority shall not apply.''.

(2) SPECTRUM AUCTIONS.—The Commission shall grant licenses through systems of competitive bidding, before the expiration of the general auction authority of the Commission under section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)), as amended by paragraph (1) of this subsection, for not less than 300 megahertz, including by completing a system of competitive bidding not later than 2 years after the date of enactment of this Act for not less than 100 megahertz in the band between 3.98 gigahertz and 4.2 gigahertz.

(c) IDENTIFICATION FOR REALLOCATION.—

(1) IN GENERAL.—The Assistant Secretary, in consultation with the Commission, shall identify 500 megahertz of frequencies in the covered band for reallocation to non-Federal use, shared Federal and non-Federal use, or a combination thereof, for full-power commercial licensed use cases, that—

(A) as of the date of enactment of this Act, are allocated for Federal use; and

(B) shall be in addition to the 300 megahertz of frequencies for which the Commission grants licenses under subsection (b)(2).

(2) SCHEDULE.—The Assistant Secretary shall identify the frequencies under paragraph (1) according to the following schedule:

(A) Not later than 2 years after the date of enactment of this Act, the Assistant Secretary shall identify not less than 200 megahertz of frequencies within the covered band.

(B) Not later than 4 years after the date of enactment of this Act, the Assistant Secretary shall identify any remaining bandwidth required to be identified under paragraph (1).

(3) REQUIRED ANALYSIS.—

(A) IN GENERAL.—In determining under paragraph (1) which specific frequencies within the covered band to reallocate, the Assistant Secretary shall determine the feasibility of the reallocation of frequencies.

(B) REQUIREMENTS.—In conducting the analysis under subparagraph (A), the Assistant Secretary shall assess net revenue potential, relocation or sharing costs, as applicable, and the feasibility of reallocating specific frequencies, with the goal of identifying the best approach to maximize net proceeds of systems of competitive bidding for the Treasury, consistent with section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(d) AUCTIONS.—The Commission shall grant licenses for the frequencies identified for reallocation under subsection (c) through systems of competitive bidding in accordance with the following schedule:

(1) Not later than 4 years after the date of enactment of this Act, the Commission shall, after notifying the Assistant Secretary, complete 1 or more systems of competitive bidding for not less than 200 megahertz of the frequencies.

(2) Not later than 8 years after the date of enactment of this Act, the Commission shall, after notifying the Assistant Secretary, complete 1 or more systems of competitive bidding for any frequencies identified under subsection (c) that remain to be auctioned after compliance with paragraph (1) of this subsection.

(e) LIMITATION.—The President shall modify or withdraw any frequency proposed for reallocation under this section not later than 60 days before the commencement of a system of competitive bidding scheduled by the Commission with respect to that frequency, if the President determines that such modification or withdrawal is necessary to protect the national security of the United States.

(f) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Department of Commerce for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $50,000,000, to remain available through September 30, 2034, to provide additional support to the Assistant Secretary to—

(1) conduct a timely spectrum analysis of the bands of frequencies—

(A) between 2.7 gigahertz and 2.9 gigahertz;

(B) between 4.4 gigahertz and 4.9 gigahertz; and

(C) between 7.25 gigahertz and 7.4 gigahertz; and

(2) publish a biennial report, with the last report to be published not later than June 30, 2034, on the value of all spectrum used by Federal entities (as defined in section 113(l) of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923(l))), that assesses the value of bands of frequencies in increments of not more than 100 megahertz.

SEC. 40003. AIR TRAFFIC CONTROL IMPROVEMENTS.

(a) IN GENERAL.—For the purpose of the acquisition, construction, sustainment, and improvement of facilities and equipment necessary to improve or maintain aviation safety, in addition to amounts otherwise made available, there is appropriated to the Administrator of the Federal Aviation Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $4,750,000,000 for telecommunications infrastructure modernization and systems upgrades;

(2) $3,000,000,000 for radar systems replacement;

(3) $500,000,000 for runway safety technologies, runway lighting systems, airport surface surveillance technologies, and to carry out section 347 of the FAA Reauthorization Act of 2024;

(4) $300,000,000 for Enterprise Information Display Systems;

(5) $80,000,000 to acquire and install not less than 50 Automated Weather Observing Systems, to acquire and install not less than 60 Visual Weather Observing Systems, to acquire and install not less than 64 weather camera sites, and to acquire and install weather stations;

(6) $40,000,000 to carry out section 44745 of title 49, United States Code, (except for activities described in paragraph (5));

(7) $1,900,000,000 for necessary actions to construct a new air route traffic control center (in this subsection referred to as ''ARTCC''): *Provided*, That not more than 2 percent of such amount is used for planning or administrative purposes: *Provided further*, That at least 3 existing ARTCCs are divested and integrated into the newly constructed ARTCC;

(8) $100,000,000 to conduct an ARTCC Realignment and Consolidation Effort under which at least 10 existing ARTCCs are closed or consolidated to facilitate recapitalization of ARTCC facilities owned and operated by the Federal Aviation Administration;

(9) $1,000,000,000 to support recapitalization and consolidation of terminal radar approach control facilities (in this subsection referred to as ''TRACONs''), the analysis and identification of TRACONs for divestment, consolidation, or integration, planning, site selection, facility acquisition, and transition activities and other appropriate activities for carrying out such divestment, consolidation, or integration, and the establishment of brand new TRACONs;

(10) $350,000,000 for unstaffed infrastructure sustainment and replacement;

(11) $50,000,000 to carry out section 961 of the FAA Reauthorization Act of 2024;

(12) $300,000,000 to carry out section 619 of the FAA Reauthorization Act of 2024;

(13) $50,000,000 to carry out section 621 of the FAA Reauthorization Act of 2024 and to deploy remote tower technology at untowered airports; and

(14) $100,000,000 for air traffic controller advanced training technologies.

(b) QUARTERLY REPORTING.—Not later than 180 days after the date of enactment of this Act, and every 90 days thereafter, the Administrator of the Federal Aviation Administration shall submit to Congress a report that describes any expenditures under this section.

SEC. 40004. SPACE LAUNCH AND REENTRY LICENSING AND PERMITTING USER FEES.

(a) IN GENERAL.—Chapter 509 of title 51, United States Code, is amended by adding at the end the following new section:

''§ 50924. Space launch and reentry licensing and permitting user fees

''(a) FEES.—

''(1) IN GENERAL.—The Secretary of Transportation shall impose a fee, which shall be deposited in the account established under subsection (b), on each launch or reentry carried out under a license or permit issued under section 50904 during 2026 or a subsequent year, in an amount equal to the lesser of—

''(A) the amount specified in paragraph (2) for the year involved per pound of the weight of the payload; or

''(B) the amount specified in paragraph (3) for the year involved.

''(2) PARAGRAPH (2) SPECIFIED AMOUNT.—The amount specified in this paragraph is—

''(A) for 2026, $0.25;

''(B) for 2027, $0.35;

''(C) for 2028, $0.50;

''(D) for 2029, $0.60;

''(E) for 2030, $0.75;

''(F) for 2031, $1;

''(G) for 2032, $1.25;

''(H) for 2033, $1.50; and

''(I) for 2034 and each subsequent year, the amount specified in this paragraph for the previous year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

''(3) PARAGRAPH (3) SPECIFIED AMOUNT.—The amount specified in this paragraph is—

''(A) for 2026, $30,000;

''(B) for 2027, $40,000;

''(C) for 2028, $50,000;

''(D) for 2029, $75,000;

''(E) for 2030, $100,000;

''(F) for 2031, $125,000;

''(G) for 2032, $170,000;

''(H) for 2033, $200,000; and

''(I) for 2034 and each subsequent year, the amount specified in this paragraph for the previous year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

''(b) OFFICE OF COMMERCIAL SPACE TRANSPORTATION LAUNCH AND REENTRY LICENSING AND PERMITTING FUND.—There is established in the Treasury of the United States a separate account, which shall be known as the 'Office of Commercial Space Transportation Launch and Reentry Licensing and Permitting Fund', for the purposes of expenses of the Office of Commercial Space Transportation of the Federal Aviation Administration and to carry out section 630(b) of the FAA Reauthorization Act of 2024. 70 percent of the amounts deposited into the fund shall be available for such purposes and shall be available without further appropriation and without fiscal year limitation.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 509 of title 51, United States Code, is amended by inserting after the item relating to section 50923 the following:

''50924. Space launch and reentry licensing and permitting user fees.''.

SEC. 40005. MARS MISSIONS, ARTEMIS MISSIONS, AND MOON TO MARS PROGRAM.

(a) IN GENERAL.—Chapter 203 of title 51, United States Code, is amended by adding at the end the following:

''§ 20306. Special appropriations for Mars missions, Artemis missions, and Moon to Mars program

''(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Administration for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $9,995,000,000, to remain available until September 30, 2032, to use as follows:

''(1) $700,000,000, to be obligated not later than fiscal year 2026, for the procurement, using a competitively bid, firm fixed-price contract with a United States commercial provider (as defined in section 50101(7)), of a high-performance Mars telecommunications orbiter—

''(A) that—

''(i) is capable of providing robust, continuous communications for—

''(I) a Mars sample return mission, as described in section 432(3)(C) of the National Aeronautics and Space Administration Transition Authorization Act of 2017 (51 U.S.C. 20302 note; Public Law 115–10); and

''(II) future Mars surface, orbital, and human exploration missions;

''(ii) supports autonomous operations, onboard processing, and extended mission duration capabilities; and

''(iii) is selected from among the commercial proposals that—

''(I) received funding from the Administration in fiscal year 2024 or 2025 for commercial design studies for Mars Sample Return; and

''(II) proposed a separate, independently launched Mars telecommunication orbiter supporting an end-to-end Mars sample return mission; and

''(B) which shall be delivered to the Administration not later than December 31, 2028.

''(2) $2,600,000,000 to meet the requirements of section 20302(a) using the program of record known, as of the date of the enactment of this section, as 'Gateway', and as described in section 10811(b)(2)(B)(iv) of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20302 note; Public Law 117–167), of which not less than $750,000,000 shall be obligated for each of fiscal years 2026, 2027, and 2028.

''(3) $4,100,000,000 for expenses related to meeting the requirements of section 10812 of the National Aeronautics and Space Administration Authorization Act of 2022 (51 U.S.C. 20301; Public Law 117–167) for the procurement, transportation, integration, operation, and other necessary expenses of the Space Launch System for Artemis Missions IV and V, of which not less than $1,025,000,000 shall be obligated for each of fiscal years 2026, 2027, 2028, and 2029.

''(4) $20,000,000 for expenses related to the continued procurement of the multi-purpose crew vehicle described in section 303 of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18323), known as the 'Orion', for use with the Space Launch System on the Artemis IV Mission and reuse in subsequent Artemis Missions, of which not less than $20,000,000 shall be obligated not later than fiscal year 2026.

''(5) $1,250,000,000 for expenses related to the operation of the International Space Station and for the purpose of meeting the requirement under section 503(a) of the National Aeronautics and Space Administration Authorization Act of 2010 (42 U.S.C. 18353(a)), of which not less than $250,000,000 shall be obligated for such expenses for each of fiscal years 2025, 2026, 2027, 2028, and 2029.

''(6) $1,000,000,000 for infrastructure improvements at the manned spaceflight centers of the Administration, of which not less than—

''(A) $120,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 12641 (53 Fed. Reg. 18816; relating to designating certain facilities of the National Aeronautics and Space Administration in the State of Mississippi as the John C. Stennis Space Center);

''(B) $250,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 11129 (28 Fed. Reg. 12787; relating to designating certain facilities of the National Aeronautics and Space Administration and of the Department of Defense, in the State of Florida, as the John F. Kennedy Space Center);

''(C) $300,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in the Joint Resolution entitled 'Joint Resolution to designate the Manned Spacecraft Center in Houston, Texas, as the ''Lyndon B. Johnson Space Center'' in honor of the late President', approved February 17, 1973 (Public Law 93–8; 87 Stat. 7);

''(D) $100,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the center described in Executive Order 10870 (25 Fed. Reg. 2197; relating to designating the facilities of the National Aeronautics and Space Administration at Huntsville, Alabama, as the George C. Marshall Space Flight Center);

''(E) $30,000,000 shall be obligated not later than fiscal year 2026 for construction, revitalization, recapitalization, or other infrastructure projects and improvements at the Michoud Assembly Facility in New Orleans, Louisiana; and

''(F) $85,000,000 shall be obligated to carry out subsection (b), of which not less than $5,000,000 shall be obligated for the transportation of the space vehicle described in that subsection, with the remainder transferred not later than the date that is 18 months after the date of the enactment of this section to the entity designated under that subsection, for the purpose of construction of a facility to house the space vehicle referred to in that subsection.

''(7) $325,000,000 to fulfill contract number 80JSC024CA002 issued by the National Aeronautics and Space Administration on June 26, 2024.

''(b) SPACE VEHICLE TRANSFER.—

''(1) IN GENERAL.—Not later than 30 days after the date of the enactment of this section, the Administrator shall identify a space vehicle described in paragraph (2) to be—

''(A) transferred to a field center of the Administration that is involved in the administration of the Commercial Crew Program (as described in section 302 of the National Aeronautics and Space Administration Transition Authorization Act of 2017 (51 U.S.C. 50111 note; Public Law 115–10)); and

''(B) placed on public exhibition at an entity within the Metropolitan Statistical Area where such center is located.

''(2) SPACE VEHICLE DESCRIBED.—A space vehicle described in this paragraph is a vessel that—

''(A) has flown into space;

''(B) has carried astronauts; and

''(C) is selected with the concurrence of an entity designated by the Administrator.

''(3) TRANSFER.—Not later than 18 months after the date of the enactment of this section, the space vehicle identified under paragraph (1) shall be transferred to an entity designated by the Administrator.

''(c) OBLIGATION OF FUNDS.—Funds appropriated under subsection (a) shall be obligated as follows:

''(1) Not less than 50 percent of the total funds in subsection (a) shall be obligated not later than September 30, 2028.

''(2) 100 percent of funds shall be obligated not later than September 30, 2029.

''(3) All associated outlays shall occur not later than September 30, 2034.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 203 of title 51, United States Code, is amended by adding at the end the following:

''20306. Special appropriations for Mars missions, Artemis missions, and Moon to Mars program.''.

SEC. 40006. CORPORATE AVERAGE FUEL ECONOMY CIVIL PENALTIES.

(a) IN GENERAL.—Section 32912 of title 49, United States Code, is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by striking ''$5'' and inserting ''$0.00''; and

(2) in subsection (c)(1)(B), by striking ''$10'' and inserting ''$0.00''.

(b) EFFECT; APPLICABILITY.—The amendments made by subsection (a) shall—

(1) take effect on the date of enactment of this section; and

(2) apply to all model years of a manufacturer for which the Secretary of Transportation has not provided a notification pursuant to section 32903(b)(2)(B) of title 49, United States Code, specifying the penalty due for the average fuel economy of that manufacturer being less than the applicable standard prescribed under section 32902 of that title.

SEC. 40007. PAYMENTS FOR LEASE OF METROPOLITAN WASHINGTON AIRPORTS.

Section 49104(b) of title 49, United States Code, is amended to read as follows:

''(b) PAYMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), under the lease, the Airports Authority must pay to the general fund of the Treasury annually an amount, computed using the GNP Price Deflator—

''(A) during the period from 1987 to 2026, equal to $3,000,000 in 1987 dollars; and

''(B) for 2027 and subsequent years, equal to $15,000,000 in 2027 dollars.

''(2) RENEGOTIATION.—The Secretary and the Airports Authority shall renegotiate the level of lease payments at least once every 10 years to ensure that in no year the amount specified in paragraph (1)(B) is less than $15,000,000 in 2027 dollars.''.

SEC. 40008. RESCISSION OF CERTAIN AMOUNTS FOR THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

Any unobligated balances of amounts appropriated or otherwise made available by sections 40001, 40002, 40003, and 40004 of Public Law 117–169 (136 Stat. 2028) are hereby rescinded.

SEC. 40009. REDUCTION IN ANNUAL TRANSFERS TO TRAVEL PROMOTION FUND.

Subsection (d)(2)(B) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)(2)(B)) is amended by striking ''$100,000,000'' and inserting ''$20,000,000''.

SEC. 40010. TREATMENT OF UNOBLIGATED FUNDS FOR ALTERNATIVE FUEL AND LOW-EMISSION AVIATION TECHNOLOGY.

Out of the amounts made available by section 40007(a) of title IV of Public Law 117–169 (49 U.S.C. 44504 note), any unobligated balances of such amounts are hereby rescinded.

SEC. 40011. RESCISSION OF AMOUNTS APPROPRIATED TO PUBLIC WIRELESS SUPPLY CHAIN INNOVATION FUND.

Of the unobligated balances of amounts made available under section 106(a) of the CHIPS Act of 2022 (Public Law 117–167; 136 Stat. 1392), $850,000,000 are permanently rescinded.

TITLE V—COMMITTEE ON ENERGY AND NATURAL RESOURCES

Subtitle A—Oil and Gas Leasing

SEC. 50101. ONSHORE OIL AND GAS LEASING.

(a) REPEAL OF INFLATION REDUCTION ACT PROVISIONS.—

(1) ONSHORE OIL AND GAS ROYALTY RATES.—Subsection (a) of section 50262 of Public Law 117–169 (136 Stat. 2056) is repealed, and any provision of law amended or repealed by that subsection is restored or revived as if that subsection had not been enacted into law.

(2) NONCOMPETITIVE LEASING.—Subsection (e) of section 50262 of Public Law 117–169 (136 Stat. 2057) is repealed, and any provision of law amended or repealed by that subsection is restored or revived as if that subsection had not been enacted into law.

(b) REQUIREMENT TO IMMEDIATELY RESUME ONSHORE OIL AND GAS LEASE SALES.—

(1) IN GENERAL.—The Secretary of the Interior shall immediately resume quarterly onshore oil and gas lease sales in compliance with the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(2) REQUIREMENT.—The Secretary of the Interior shall ensure—

(A) that any oil and gas lease sale required under paragraph (1) is conducted immediately on completion of all applicable scoping, public comment, and environmental analysis requirements under the Mineral Leasing Act (30 U.S.C. 181 et seq.) and the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) that the processes described in subparagraph (A) are conducted in a timely manner to ensure compliance with subsection (b)(1).

(3) LEASE OF OIL AND GAS LANDS.—Section 17(b)(1)(A) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)(A)), as amended by subsection (a), is amended by inserting ''For purposes of the previous sentence, the term 'eligible lands' means all lands that are subject to leasing under this Act and are not excluded from leasing by a statutory prohibition, and the term 'available', with respect to eligible lands, means those lands that have been designated as open for leasing under a land use plan developed under section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) and that have been nominated for leasing through the submission of an expression of interest, are subject to drainage in the absence of leasing, or are otherwise designated as available pursuant to regulations adopted by the Secretary.'' after ''sales are necessary.''.

(c) QUARTERLY LEASE SALES.—

(1) IN GENERAL.—In accordance with the Mineral Leasing Act (30 U.S.C. 181 et seq.), each fiscal year, the Secretary of the Interior shall conduct a minimum of 4 oil and gas lease sales of available land in each of the following States:

(A) Wyoming.

(B) New Mexico.

(C) Colorado.

(D) Utah.

(E) Montana.

(F) North Dakota.

(G) Oklahoma.

(H) Nevada.

(I) Alaska.

(2) REQUIREMENT.—In conducting a lease sale under paragraph (1) in a State described in that paragraph, the Secretary of the Interior—

(A) shall offer not less than 50 percent of available parcels nominated for oil and gas development under the applicable resource management plan in effect for relevant Bureau of Land Management resource management areas within the applicable State; and

(B) shall not restrict the parcels offered to 1 Bureau of Land Management field office within the applicable State unless all nominated parcels are located within the same Bureau of Land Management field office.

(3) REPLACEMENT SALES.—The Secretary of the Interior shall conduct a replacement sale during the same fiscal year if—

(A) a lease sale under paragraph (1) is canceled, delayed, or deferred, including for a lack of eligible parcels; or

(B) during a lease sale under paragraph (1) the percentage of acreage that does not receive a bid is equal to or greater than 25 percent of the acreage offered.

(d) MINERAL LEASING ACT REFORMS.—Section 17 of the Mineral Leasing Act (30 U.S.C. 226), as amended by subsection (a), is amended—

(1) by striking the section designation and all that follows through the end of subsection (a) and inserting the following:

''SEC. 17. LEASING OF OIL AND GAS PARCELS.

''(a) LEASING AUTHORIZED.—

''(1) IN GENERAL.—Any parcel of land subject to disposition under this Act that is known or believed to contain oil or gas deposits shall be made available for leasing, subject to paragraph (2), by the Secretary of the Interior, not later than 18 months after the date of receipt by the Secretary of an expression of interest in leasing the applicable parcel of land available for disposition under this section, if the Secretary determines that the parcel of land is open to oil or gas leasing under the approved resource management plan applicable to the planning area in which the parcel of land is located that is in effect on the date on which the expression of interest was submitted to the Secretary (referred to in this subsection as the 'approved resource management plan').

''(2) RESOURCE MANAGEMENT PLANS.—

''(A) LEASE TERMS AND CONDITIONS.—A lease issued by the Secretary under this section with respect to an applicable parcel of land made available for leasing under paragraph (1)—

''(i) shall be subject to the terms and conditions of the approved resource management plan; and

''(ii) may not require any stipulations or mitigation requirements not included in the approved resource management plan.

''(B) EFFECT OF AMENDMENT.—The initiation of an amendment to an approved resource management plan shall not prevent or delay the Secretary from making the applicable parcel of land available for leasing in accordance with that approved resource management plan if the other requirements of this section have been met, as determined by the Secretary.'';

(2) in subsection (p), by adding at the end the following:

''(4) TERM.—A permit to drill approved under this subsection shall be valid for a single, non-renewable 4-year period beginning on the date that the permit to drill is approved.''; and

(3) by striking subsection (q) and inserting the following:

''(q) COMMINGLING OF PRODUCTION.—The Secretary of the Interior shall approve applications allowing for the commingling of production from 2 or more sources (including the area of an oil and gas lease, the area included in a drilling spacing unit, a unit participating area, a communitized area, or non-Federal property) before production reaches the point of royalty measurement

regardless of ownership, the royalty rates, and the number or percentage of acres for each source if the applicant agrees to install measurement devices for each source, utilize an allocation method that achieves volume measurement uncertainty levels within plus or minus 2 percent during the production phase reported on a monthly basis, or utilize an approved periodic well testing methodology. Production from multiple oil and gas leases, drilling spacing units, communitized areas, or participating areas from a single wellbore shall be considered a single source. Nothing in this subsection shall prevent the Secretary of the Interior from continuing the current practice of exercising discretion to authorize higher percentage volume measurement uncertainty levels if appropriate technical and economic justifications have been provided.''.

SEC. 50102. OFFSHORE OIL AND GAS LEASING.

(a) LEASE SALES.—

(1) GULF OF AMERICA REGION.—

(A) IN GENERAL.—Notwithstanding the 2024–2029 National Outer Continental Shelf Oil and Gas Leasing Program (and any successor leasing program that does not satisfy the requirements of this section), in addition to lease sales which may be held under that program, and except within areas subject to existing oil and gas leasing moratoria, the Secretary of the Interior shall conduct a minimum of 30 region-wide oil and gas lease sales, in a manner consistent with the schedule described in subparagraph (B), in the region identified in the map depicting lease terms and economic conditions accompanying the final notice of sale of the Bureau of Ocean Energy Management entitled ''Gulf of Mexico Outer Continental Shelf Region-Wide Oil and Gas Lease Sale 254'' (85 Fed. Reg. 8010 (February 12, 2020)).

(B) TIMING REQUIREMENT.—Of the not fewer than 30 region-wide lease sales required under this paragraph, the Secretary of the Interior shall—

(i) hold not fewer than 1 lease sale in the region described in subparagraph (A) by December 15, 2025;

(ii) hold not fewer than 2 lease sales in that region in each of calendar years 2026 through 2039, 1 of which shall be held by March 15 of the applicable calendar year and 1 of which shall be held after March 15 but not later than August 15 of the applicable calendar year; and

(iii) hold not fewer than 1 lease sale in that region in calendar year 2040, which shall be held by March 15, 2040.

(2) ALASKA REGION.—

(A) IN GENERAL.—The Secretary of the Interior shall conduct a minimum of 6 offshore lease sales, in a manner consistent with the schedule described in subparagraph (B), in the Cook Inlet Planning Area as identified in the 2017–2022 Outer Continental Shelf Oil and Gas Leasing Proposed Final Program published on November 18, 2016, by the Bureau of Ocean Energy Management (as announced in the notice of availability of the Bureau of Ocean Energy Management entitled ''Notice of Availability of the 2017–2022 Outer Continental Shelf Oil and Gas Leasing Proposed Final Program'' (81 Fed. Reg. 84612 (November 23, 2016))).

(B) TIMING REQUIREMENT.—Of the not fewer than 6 lease sales required under this paragraph, the Secretary of the Interior shall hold not fewer than 1 lease sale in the area described in subparagraph (A) in each of calendar years 2026 through 2028, and in each of calendar years 2030 through 2032, by March 15 of the applicable calendar year.

(b) REQUIREMENTS.—

(1) TERMS AND STIPULATIONS FOR GULF OF AMERICA SALES.—In conducting lease sales under subsection (a)(1), the Secretary of the Interior—

(A) shall, subject to subparagraph (C), offer the same lease form, lease terms, economic conditions, and lease stipulations 4 through 9 as contained in the final notice of sale of the Bureau of Ocean Energy Management entitled ''Gulf of Mexico Outer Continental Shelf Region-Wide Oil and Gas Lease Sale 254'' (85 Fed. Reg. 8010 (February 12, 2020));

(B) may update lease stipulations 1 through 3 and 10 described in that final notice of sale to reflect current conditions for lease sales conducted under subsection (a)(1);

(C) shall set the royalty rate at not less than 12½ percent but not greater than 16⅔ percent; and

(D) shall, for a lease in water depths of 800 meters or deeper issued as a result of a sale, set the primary term for 10 years.

(2) TERMS AND STIPULATIONS FOR ALASKA REGION SALES.—

(A) IN GENERAL.—In conducting lease sales under subsection (a)(2), the Secretary of the Interior shall offer the same lease form, lease terms, economic conditions, and stipulations as contained in the final notice of sale of the Bureau of Ocean Energy Management entitled ''Cook Inlet Planning Area Outer Continental Shelf Oil and Gas Lease Sale 244'' (82 Fed. Reg. 23291 (May 22, 2017)).

(B) REVENUE SHARING.—Notwithstanding section 8(g) and section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g), 1338), and beginning in fiscal year 2034, of the bonuses, rents, royalties, and other revenues derived from lease sales conducted under subsection (a)(2)—

(i) 70 percent shall be paid to the State of Alaska; and

(ii) 30 percent shall be deposited in the Treasury and credited to miscellaneous receipts.

(3) AREA OFFERED FOR LEASE.—

(A) GULF OF AMERICA REGION.—For each offshore lease sale conducted under subsection (a)(1), the Secretary of the Interior shall—

(i) offer not fewer than 80,000,000 acres; or

(ii) if there are fewer than 80,000,000 acres that are unleased and available, offer all unleased and available acres.

(B) ALASKA REGION.—For each offshore lease sale conducted under subsection (a)(2), the Secretary of the Interior shall—

(i) offer not fewer than 1,000,000 acres; or

(ii) if there are fewer than 1,000,000 acres that are unleased and available, offer all unleased and available acres.

(c) OFFSHORE COMMINGLING.—The Secretary of the Interior shall approve a request of an operator to commingle oil or gas production from multiple reservoirs within a single wellbore completed on the outer Continental Shelf in the Gulf of America Region unless the Secretary of the Interior determines that conclusive evidence establishes that the commingling—

(1) could not be conducted by the operator in a safe manner; or

(2) would result in an ultimate recovery from the applicable reservoirs to be reduced in comparison to the expected recovery of those reservoirs if they had not been commingled.

(d) OFFSHORE OIL AND GAS ROYALTY RATE.—

(1) REPEAL.—Section 50261 of Public Law 117–169 (136 Stat. 2056) is repealed, and any provision of law amended or repealed by that section is restored or revived as if that section had not been enacted into law.

(2) ROYALTY RATE.—Section 8(a)(1) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)) (as amended by paragraph (1)) is amended—

(A) in subparagraph (A), by striking ''not less than 12½ per centum'' and inserting ''not less than 12½ percent, but not more than 16⅔ percent,'';

(B) in subparagraph (C), by striking ''not less than 12½ per centum'' and inserting ''not less than 12½ percent, but not more than 16⅔ percent,'';

(C) in subparagraph (F), by striking ''no less than 12½ per centum'' and inserting ''not less than 12½ percent, but not more than 16⅔ percent,''; and

(D) in subparagraph (H), by striking ''no less than 12 and ½ per centum'' and inserting ''not less than 12½ percent, but not more than 16⅔ percent,''.

(e) LIMITATIONS ON AMOUNT OF DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—Section 105(f)(1) of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—

(1) in subparagraph (B), by striking ''and'' at the end;

(2) in subparagraph (C), by striking ''2055.'' and inserting ''2024;''; and

(3) by adding at the end the following:

''(D) $650,000,000 for each of fiscal years 2025 through 2034; and

''(E) $500,000,000 for each of fiscal years 2035 through 2055.''.

SEC. 50103. ROYALTIES ON EXTRACTED METHANE.

Section 50263 of Public Law 117–169 (30 U.S.C. 1727) is repealed.

SEC. 50104. ALASKA OIL AND GAS LEASING.

(a) DEFINITIONS.—In this section:

(1) COASTAL PLAIN.—The term ''Coastal Plain'' has the meaning given the term in section 20001(a) of Public Law 115–97 (16 U.S.C. 3143 note).

(2) OIL AND GAS PROGRAM.—The term ''oil and gas program'' means the oil and gas program established under section 20001(b)(2) of Public Law 115–97 (16 U.S.C. 3143 note).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Bureau of Land Management.

(b) LEASE SALES REQUIRED.—

(1) IN GENERAL.—Subject to paragraph (3), in addition to the lease sales required under section 20001(c)(1)(A) of Public Law 115–97 (16 U.S.C. 3143 note), the Secretary shall conduct not fewer than 4 lease sales area-wide under the oil and gas program by not later than 10 years after the date of enactment of this Act.

(2) TERMS AND CONDITIONS.—In conducting lease sales under paragraph (1), the Secretary shall offer the same terms and conditions as contained in the record of decision described in the notice of availability of the Bureau of Land Management entitled ''Notice of Availability of the Record of Decision for the Final Environmental Impact Statement for the Coastal Plain Oil and Gas Leasing Program, Alaska'' (85 Fed. Reg. 51754 (August 21, 2020)).

(3) SALE ACREAGES; SCHEDULE.—

(A) ACREAGES.—In conducting the lease sales required under paragraph (1), the Secretary shall offer for lease under the oil and gas program—

(i) not fewer than 400,000 acres area-wide in each lease sale; and

(ii) those areas that have the highest potential for the discovery of hydrocarbons.

(B) SCHEDULE.—The Secretary shall offer—

(i) the initial lease sale under paragraph (1) not later than 1 year after the date of enactment of this Act;

(ii) a second lease sale under paragraph (1) not later than 3 years after the date of enactment of this Act;

(iii) a third lease sale under paragraph (1) not later than 5 years after the date of enactment of this Act; and

(iv) a fourth lease sale under paragraph (1) not later than 7 years after the date of enactment of this Act.

(4) RIGHTS-OF-WAY.—Section 20001(c)(2) of Public Law 115–97 (16 U.S.C. 3143 note) shall

apply to leases awarded under this subsection.

(5) SURFACE DEVELOPMENT.—Section 20001(c)(3) of Public Law 115–97 (16 U.S.C. 3143 note) shall apply to leases awarded under this subsection.

(c) RECEIPTS.—Notwithstanding section 35 of the Mineral Leasing Act (30 U.S.C. 191) and section 20001(b)(5) of Public Law 115–97 (16 U.S.C. 3143 note), of the amount of adjusted bonus, rental, and royalty receipts derived from the oil and gas program and operations on the Coastal Plain pursuant to this section—

(1)(A) for each of fiscal years 2025 through 2033, 50 percent shall be paid to the State of Alaska; and

(B) for fiscal year 2034 and each fiscal year thereafter, 70 percent shall be paid to the State of Alaska; and

(2) the balance shall be deposited into the Treasury as miscellaneous receipts.

SEC. 50105. NATIONAL PETROLEUM RESERVE–ALASKA.

(a) DEFINITIONS.—In this section:

(1) NPR–A FINAL ENVIRONMENTAL IMPACT STATEMENT.—The term ''NPR–A final environmental impact statement'' means the final environmental impact statement published by the Bureau of Land Management entitled ''National Petroleum Reserve in Alaska Integrated Activity Plan Final Environmental Impact Statement'' and dated June 2020, including the errata sheet dated October 6, 2020, and excluding the errata sheet dated September 20, 2022.

(2) NPR–A RECORD OF DECISION.—The term ''NPR–A record of decision'' means the record of decision published by the Bureau of Land Management entitled ''National Petroleum Reserve in Alaska Integrated Activity Plan Record of Decision'' and dated December 2020.

(3) PROGRAM.—The term ''Program'' means the competitive oil and gas leasing, exploration, development, and production program established under section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a).

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

(b) RESTORATION OF NPR–A OIL AND GAS LEASING PROGRAM.—Effective beginning on the date of enactment of this Act, the Secretary shall expeditiously restore and resume oil and gas lease sales under the Program for domestic energy production and Federal revenue in the areas designated for oil and gas leasing as described in the NPR–A final environmental impact statement and the NPR–A record of decision.

(c) RESUMPTION OF NPR–A LEASE SALES.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall conduct not fewer than 5 lease sales under the Program by not later than 10 years after the date of enactment of this Act.

(2) SALES ACREAGES; SCHEDULE.—

(A) ACREAGES.—In conducting the lease sales required under paragraph (1), the Secretary shall offer not fewer than 4,000,000 acres in each lease sale.

(B) SCHEDULE.—The Secretary shall offer—

(i) an initial lease sale under paragraph (1) not later than 1 year after the date of enactment of this Act; and

(ii) an additional lease sale under paragraph (1) not later than every 2 years after the date of enactment of this Act.

(d) TERMS AND STIPULATIONS FOR NPR–A LEASE SALES.—In conducting lease sales under subsection (c), the Secretary shall offer the same lease form, lease terms, economic conditions, and stipulations as described in the NPR–A final environmental impact statement and the NPR–A record of decision.

(e) RECEIPTS.—Section 107(l) of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a(l)) is amended—

(1) by striking ''All receipts from'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), all receipts from''; and

(2) by adding at the end the following:

''(2) PERCENT SHARE FOR FISCAL YEAR 2034 AND THEREAFTER.—Beginning in fiscal year 2034, of the receipts from sales, rentals, bonuses, and royalties on leases issued pursuant to this section after the date of enactment of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress)—

''(A) 70 percent shall be paid to the State of Alaska; and

''(B) 30 percent shall be paid into the Treasury of the United States.''.

Subtitle B—Mining

SEC. 50201. COAL LEASING.

(a) DEFINITIONS.—In this section:

(1) COAL LEASE.—The term ''coal lease'' means a lease entered into by the United States as lessor, through the Bureau of Land Management, and an applicant on Bureau of Land Management Form 3400-012 (or a successor form that contains the terms of a coal lease).

(2) QUALIFIED APPLICATION.—The term ''qualified application'' means an application for a coal lease pending as of the date of enactment of this Act or submitted within 90 days thereafter under the lease by application program administered by the Bureau of Land Management pursuant to the Mineral Leasing Act (30 U.S.C. 181 et seq.) for which any required environmental review has commenced or the Director of the Bureau of Land Management determines can commence within 90 days after receiving the application.

(b) COAL LEASING ACTIVITIES.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior—

(1) shall—

(A) with respect to each qualified application—

(i) if not previously published for public comment, publish any required environmental review;

(ii) establish the fair market value of the applicable coal tract;

(iii) hold a lease sale with respect to the applicable coal tract; and

(iv) identify the highest bidder at or above the fair market value and take all other intermediate actions necessary to identify the winning bidder and grant the qualified application; and

(2) may—

(A) with respect to a previously issued coal lease, grant any additional approvals of the Department of the Interior required for mining activities to commence; and

(B) after completing the actions required by clauses (i) through (iv) of paragraph (1)(A), grant the qualified application and issue the applicable lease to the person that submitted the qualified application if that person submitted the winning bid in the lease sale held under clause (iii) of paragraph (1)(A).

SEC. 50202. COAL ROYALTY.

(a) RATE.—Section 7(a) of the Mineral Leasing Act (30 U.S.C. 207(a)) is amended, in the fourth sentence, by striking ''12½ per centum'' and inserting ''12½ percent, except such amount shall be not more than 7 percent during the period that begins on the date of enactment of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress) and ends September 30, 2034,''.

(b) APPLICABILITY TO EXISTING LEASES.—The amendment made by subsection (a) shall apply to a coal lease—

(1) issued under section 2 of the Mineral Leasing Act (30 U.S.C. 201) before, on, or after the date of the enactment of this Act; and

(2) that has not been terminated.

(c) ADVANCE ROYALTIES.—With respect to a lease issued under section 2 of the Mineral Leasing Act (30 U.S.C. 201) for which the lessee has paid advance royalties under section 7(b) of that Act (30 U.S.C. 207(b)), the Secretary of the Interior shall provide to the lessee a credit for the difference between the amount paid by the lessee in advance royalties for the lease before the date of the enactment of this Act and the amount the lessee would have been required to pay if the amendment made by subsection (a) had been made before the lessee paid advance royalties for the lease.

SEC. 50203. LEASES FOR KNOWN RECOVERABLE COAL RESOURCES.

Notwithstanding section 2(a)(3)(A) of the Mineral Leasing Act (30 U.S.C. 201(a)(3)(A)) and section 202(a) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712(a)), not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall make available for lease known recoverable coal resources of not less than 4,000,000 additional acres on Federal land located in the 48 contiguous States and Alaska subject to the jurisdiction of the Secretary, but which shall not include any Federal land within—

(1) a National Monument;

(2) a National Recreation Area;

(3) a component of the National Wilderness Preservation System;

(4) a component of the National Wild and Scenic Rivers System;

(5) a component of the National Trails System;

(6) a National Conservation Area;

(7) a unit of the National Wildlife Refuge System;

(8) a unit of the National Fish Hatchery System; or

(9) a unit of the National Park System.

SEC. 50204. AUTHORIZATION TO MINE FEDERAL COAL.

(a) AUTHORIZATION.—In order to provide access to coal reserves in adjacent State or private land that without an authorization could not be mined economically, Federal coal reserves located in Federal land subject to a mining plan previously approved by the Secretary of the Interior as of the date of enactment of this Act and adjacent to coal reserves in adjacent State or private land are authorized to be mined.

(b) REQUIREMENT.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall, without substantial modification, take such steps as are necessary to authorize the mining of Federal land described in subsection (a).

(c) NEPA.—Nothing in this section shall prevent a review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

Subtitle C—Lands

SEC. 50301. TIMBER SALES AND LONG-TERM CONTRACTING FOR THE FOREST SERVICE AND THE BUREAU OF LAND MANAGEMENT.

(a) FOREST SERVICE.—

(1) DEFINITIONS.—In this subsection:

(A) FOREST PLAN.—The term ''forest plan'' means a land and resource management plan prepared by the Secretary for a unit of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(B) NATIONAL FOREST SYSTEM.—

(i) IN GENERAL.—The term ''National Forest System'' means land of the National Forest System (as defined in section 11(a) of the

Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a))) administered by the Secretary.

(ii) EXCLUSIONS.—The term ''National Forest System'' does not include any forest reserve not created from the public domain.

(C) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(2) TIMBER SALES ON PUBLIC DOMAIN FOREST RESERVES.—

(A) IN GENERAL.—For each of fiscal years 2026 through 2034, the Secretary shall sell timber annually on National Forest System land in a total quantity that is not less than 250,000,000 board-feet greater than the quantity of board-feet sold in the previous fiscal year.

(B) LIMITATION.—The timber sales under subparagraph (A) shall be subject to the maximum allowable sale quantity of timber or the projected timber sale quantity under the applicable forest plan in effect on the date of enactment of this Act.

(3) LONG-TERM CONTRACTING FOR THE FOREST SERVICE.—

(A) LONG-TERM CONTRACTING.—For the period of fiscal years 2025 through 2034, the Secretary shall enter into not fewer than 40 long-term timber sale contracts with private persons or other public or private entities under subsection (a) of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a) for the sale of national forest materials (as defined in subsection (e)(1) of that section) in the National Forest System.

(B) CONTRACT LENGTH.—The period of a timber sale contract entered into to meet the requirement under subparagraph (A) shall be not less than 20 years, with options for extensions or renewals, as determined by the Secretary.

(C) RECEIPTS.—Any monies derived from a timber sale contract entered into to meet the requirements under subparagraphs (A) and (B) shall be deposited in the general fund of the Treasury.

(b) BUREAU OF LAND MANAGEMENT.—

(1) DEFINITIONS.—In this subsection:

(A) PUBLIC LANDS.—The term ''public lands'' has the meaning given the term in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(B) RESOURCE MANAGEMENT PLAN.—The term ''resource management plan'' means a land use plan prepared for public lands under section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712).

(C) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(2) TIMBER SALES ON PUBLIC LANDS.—

(A) IN GENERAL.—For each of fiscal years 2026 through 2034, the Secretary shall sell timber annually on public lands in a total quantity that is not less than 20,000,000 board-feet greater than the quantity of board-feet sold in the previous fiscal year.

(B) LIMITATION.—The timber sales under subparagraph (A) shall be subject to the applicable resource management plan in effect on the date of enactment of this Act.

(3) LONG-TERM CONTRACTING FOR THE BUREAU OF LAND MANAGEMENT.—

(A) LONG-TERM CONTRACTING.—For the period of fiscal years 2025 through 2034, the Secretary shall enter into not fewer than 5 long-term contracts with private persons or other public or private entities under section 1 of the Act of July 31, 1947 (commonly known as the ''Materials Act of 1947'') (61 Stat. 681, chapter 406; 30 U.S.C. 601), for the disposal of vegetative materials described in that section on public lands.

(B) CONTRACT LENGTH.—The period of a contract entered into to meet the requirement under subparagraph (A) shall be not less than 20 years, with options for extensions or renewals, as determined by the Secretary.

(C) RECEIPTS.—Any monies derived from a contract entered into to meet the requirements under subparagraphs (A) and (B) shall be deposited in the general fund of the Treasury.

SEC. 50302. RENEWABLE ENERGY FEES ON FEDERAL LAND.

(a) DEFINITIONS.—In this section:

(1) ANNUAL ADJUSTMENT FACTOR.—The term ''Annual Adjustment Factor'' means 3 percent.

(2) ENCUMBRANCE FACTOR.—The term ''Encumbrance Factor'' means—

(A) 100 percent for a solar energy generation facility; and

(B) an amount determined by the Secretary, but not less than 10 percent for a wind energy generation facility.

(3) NATIONAL FOREST SYSTEM.—

(A) IN GENERAL.—The term ''National Forest System'' means land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a))) administered by the Secretary of Agriculture.

(B) EXCLUSION.—The term ''National Forest System'' does not include any forest reserve not created from the public domain.

(4) PER-ACRE RATE.—The term ''Per-Acre Rate'', with respect to a right-of-way, means the average of the per-acre pastureland rental rates published in the Cash Rents Survey by the National Agricultural Statistics Service for the State in which the right-of-way is located over the 5 calendar-year period preceding the issuance or renewal of the right-of-way.

(5) PROJECT.—The term ''project'' means a system described in section 2801.9(a)(4) of title 43, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(6) PUBLIC LAND.—The term ''public land'' means—

(A) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)); and

(B) National Forest System land.

(7) RENEWABLE ENERGY PROJECT.—The term ''renewable energy project'' means a project located on public land that uses wind or solar energy to generate energy.

(8) RIGHT-OF-WAY.—The term ''right-of-way'' has the meaning given the term in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(9) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of the Interior, with respect to land controlled or administered by the Secretary of the Interior; and

(B) the Secretary of Agriculture, with respect to National Forest System land.

(b) ACREAGE RENT FOR WIND AND SOLAR RIGHTS-OF-WAY.—

(1) IN GENERAL.—Pursuant to section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g)), the Secretary shall, subject to paragraph (3) and not later than January 1 of each calendar year, collect from the holder of a right-of-way for a renewable energy project an acreage rent in an amount determined by the equation described in paragraph (2).

(2) CALCULATION OF ACREAGE RENT RATE.—

(A) EQUATION.—The amount of an acreage rent collected under paragraph (1) shall be determined using the following equation: Acreage rent = $A \times B \times ((1 + C)^D)$).

(B) DEFINITIONS.—For purposes of the equation described in subparagraph (A):

(i) The letter ''A'' means the Per-Acre Rate.

(ii) The letter ''B'' means the Encumbrance Factor.

(iii) The letter ''C'' means the Annual Adjustment Factor.

(iv) The letter ''D'' means the year in the term of the right-of-way.

(3) PAYMENT UNTIL PRODUCTION.—The holder of a right-of-way for a renewable energy project shall pay an acreage rent collected under paragraph (1) until the date on which energy generation begins.

(c) CAPACITY FEES.—

(1) IN GENERAL.—The Secretary shall, subject to paragraph (3), annually collect a capacity fee from the holder of a right-of-way for a renewable energy project based on the amount described in paragraph (2).

(2) CALCULATION OF CAPACITY FEE.—The amount of a capacity fee collected under paragraph (1) shall be equal to the greater of—

(A) an amount equal to the acreage rent described in subsection (b); and

(B) 3.9 percent of the gross proceeds from the sale of electricity produced by the renewable energy project.

(3) MULTIPLE-USE REDUCTION FACTOR.—

(A) APPLICATION.—The holder of a right-of-way for a wind energy generation project may request that the Secretary apply a multiple-use reduction factor of 10-percent to the amount of a capacity fee determined under paragraph (2) by submitting to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(B) APPROVAL.—The Secretary may approve an application submitted under subparagraph (A) only if not less than 25 percent of the land within the area of the right-of-way is authorized for use, occupancy, or development with respect to an activity other than the generation of wind energy for the entirety of the year in which the capacity fee is collected.

(C) LATE DETERMINATION.—

(i) IN GENERAL.—If the Secretary approves an application under subparagraph (B) for a wind energy generation project after the date on which the holder of the right-of-way for the project begins paying a capacity fee, the Secretary shall apply the multiple-use reduction factor described in subparagraph (A) to the capacity fee for the first year beginning after the date of approval and each year thereafter for the period during which the right-of-way remains in effect.

(ii) REFUND.—The Secretary may not refund the holder of a right-of-way for the difference in the amount of a capacity fee paid in a previous year.

(d) LATE PAYMENT FEE; TERMINATION.—

(1) IN GENERAL.—The Secretary may charge the holder of a right-of-way for a renewable energy project a late payment fee if the Secretary does not receive payment for the acreage rent under subsection (b) or the capacity fee under subsection (c) by the date that is 15 days after the date on which the payment was due.

(2) TERMINATION OF RIGHT-OF-WAY.—The Secretary may terminate a right-of-way for a renewable energy project if the Secretary does not receive payment for the acreage rent under subsection (b) or the capacity fee under subsection (c) by the date that is 90 days after the date on which the payment was due.

SEC. 50303. RENEWABLE ENERGY REVENUE SHARING.

(a) DEFINITIONS.—In this section:

(1) COUNTY.—The term ''county'' includes a parish, township, borough, and any other similar, independent unit of local government.

(2) COVERED LAND.—The term ''covered land'' means land that is—

(A) public land administered by the Secretary; and

(B) not excluded from the development of solar or wind energy under—

(i) a land use plan; or

(ii) other Federal law.

(3) NATIONAL FOREST SYSTEM.—

(A) IN GENERAL.—The term ''National Forest System'' means land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a))) administered by the Secretary of Agriculture.

(B) EXCLUSION.—The term ''National Forest System'' does not include any forest reserve not created from the public domain.

(4) PUBLIC LAND.—The term ''public land'' means—

(A) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)); and

(B) National Forest System land.

(5) RENEWABLE ENERGY PROJECT.—The term ''renewable energy project'' means a system described in section 2801.9(a)(4) of title 43, Code of Federal Regulations (as in effect on the date of enactment of this Act), located on covered land that uses wind or solar energy to generate energy.

(6) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of the Interior, with respect to land controlled or administered by the Secretary of the Interior; and

(B) the Secretary of Agriculture, with respect to National Forest System land.

(b) DISPOSITION OF REVENUE.—

(1) DISPOSITION OF REVENUES.—Beginning on January 1, 2026, the amounts collected from a renewable energy project as bonus bids, rentals, fees, or other payments under a right-of-way, permit, lease, or other authorization shall—

(A) be deposited in the general fund of the Treasury; and

(B) without further appropriation or fiscal year limitation, be allocated as follows:

(i) 25 percent shall be paid from amounts in the general fund of the Treasury to the State within the boundaries of which the revenue is derived.

(ii) 25 percent shall be paid from amounts in the general fund of the Treasury to each county in a State within the boundaries of which the revenue is derived, to be allocated among each applicable county based on the percentage of county land from which the revenue is derived.

(2) PAYMENTS TO STATES AND COUNTIES.—

(A) IN GENERAL.—Amounts paid to States and counties under paragraph (1) shall be used in accordance with the requirements of section 35 of the Mineral Leasing Act (30 U.S.C. 191).

(B) PAYMENTS IN LIEU OF TAXES.—A payment to a county under paragraph (1) shall be in addition to a payment in lieu of taxes received by the county under chapter 69 of title 31, United States Code.

(C) TIMING.—The amounts required to be paid under paragraph (1)(B) for an applicable fiscal year shall be made available in the fiscal year that immediately follows the fiscal year for which the amounts were collected.

SEC. 50304. RESCISSION OF NATIONAL PARK SERVICE AND BUREAU OF LAND MANAGEMENT FUNDS.

There are rescinded the unobligated balances of amounts made available by the following sections of Public Law 117–169 (commonly known as the ''Inflation Reduction Act of 2022'') (136 Stat. 1818):

(1) Section 50221 (136 Stat. 2052).

(2) Section 50222 (136 Stat. 2052).

(3) Section 50223 (136 Stat. 2052).

SEC. 50305. CELEBRATING AMERICA'S 250TH ANNIVERSARY.

In addition to amounts otherwise available, there is appropriated to the Secretary of the Interior (acting through the Director of the National Park Service) for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $150,000,000 for events, celebrations, and activities surrounding the observance and commemoration of the 250th anniversary of the founding of the United States, to remain available through fiscal year 2028.

Subtitle D—Energy

SEC. 50401. STRATEGIC PETROLEUM RESERVE.

(a) ENERGY POLICY AND CONSERVATION ACT DEFINITIONS.—In this section, the terms ''related facility'', ''storage facility'', and ''Strategic Petroleum Reserve'' have the meanings given those terms in section 152 of the Energy Policy and Conservation Act (42 U.S.C. 6232).

(b) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Department of Energy for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029—

(1) $218,000,000 for maintenance of, including repairs to, storage facilities and related facilities of the Strategic Petroleum Reserve; and

(2) $171,000,000 to acquire, by purchase, petroleum products for storage in the Strategic Petroleum Reserve.

(c) REPEAL OF STRATEGIC PETROLEUM RESERVE DRAWDOWN AND SALE MANDATE.—Section 20003 of Public Law 115–97 (42 U.S.C. 6241 note) is repealed.

SEC. 50402. REPEALS; RESCISSIONS.

(a) REPEAL AND RESCISSION.—Section 50142 of Public Law 117–169 (136 Stat. 2044) (commonly known as the ''Inflation Reduction Act of 2022'') is repealed and the unobligated balance of amounts made available under that section (as in effect on the day before the date of enactment of this Act) is rescinded.

(b) RESCISSIONS.—

(1) IN GENERAL.—The unobligated balances of amounts made available under the sections described in paragraph (2) are rescinded.

(2) SECTIONS DESCRIBED.—The sections referred to in paragraph (1) are the following sections of Public Law 117–169 (commonly known as the ''Inflation Reduction Act of 2022''):

(A) Section 50123 (42 U.S.C. 18795b).

(B) Section 50141 (136 Stat. 2042).

(C) Section 50144 (136 Stat. 2044).

(D) Section 50145 (136 Stat. 2045).

(E) Section 50151 (42 U.S.C. 18715).

(F) Section 50152 (42 U.S.C. 18715a).

(G) Section 50153 (42 U.S.C. 18715b).

(H) Section 50161 (42 U.S.C. 17113b).

SEC. 50403. ENERGY DOMINANCE FINANCING.

(a) IN GENERAL.—Section 1706 of the Energy Policy Act of 2005 (42 U.S.C. 16517) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''or'' at the end;

(B) in paragraph (2), by striking ''avoid'' and all that follows through the period at the end and inserting ''increase capacity or output; or''; and

(C) by adding at the end the following:

''(3) support or enable the provision of known or forecastable electric supply at time intervals necessary to maintain or enhance grid reliability or other system adequacy needs.'';

(2) by striking subsection (c);

(3) by redesignating subsections (d) through (f) as subsections (c) through (e), respectively;

(4) in subsection (c) (as so redesignated)—

(A) in paragraph (1), by adding ''and'' at the end;

(B) by striking paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2);

(5) in subsection (e) (as so redesignated), by striking ''for—'' in the matter preceding paragraph (1) and all that follows through the period at the end of paragraph (2) and inserting ''for enabling the identification, leasing, development, production, processing, transportation, transmission, refining, and generation needed for energy and critical minerals.''; and

(6) by adding at the end the following:

''(f) FUNDING.—

''(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $1,000,000,000, to remain available through September 30, 2028, to carry out activities under this section.

''(2) ADMINISTRATIVE COSTS.—Of the amount made available under paragraph (1), the Secretary shall use not more than 3 percent for administrative expenses.''.

(b) COMMITMENT AUTHORITY.—Section 50144(b) of Public Law 117–169 (commonly known as the ''Inflation Reduction Act of 2022'') (136 Stat. 2045) is amended by striking ''2026'' and inserting ''2028''.

SEC. 50404. TRANSFORMATIONAL ARTIFICIAL INTELLIGENCE MODELS.

(a) DEFINITIONS.—In this section:

(1) AMERICAN SCIENCE CLOUD.—The term ''American science cloud'' means a system of United States government, academic, and private sector programs and infrastructures utilizing cloud computing technologies to facilitate and support scientific research, data sharing, and computational analysis across various disciplines while ensuring compliance with applicable legal, regulatory, and privacy standards.

(2) ARTIFICIAL INTELLIGENCE.—The term ''artificial intelligence'' has the meaning given the term in section 5002 of the National Artificial Intelligence Initiative Act of 2020 (15 U.S.C. 9401).

(b) TRANSFORMATIONAL MODELS.—The Secretary of Energy shall—

(1) mobilize National Laboratories to partner with industry sectors within the United States to curate the scientific data of the Department of Energy across the National Laboratory complex so that the data is structured, cleaned, and preprocessed in a way that makes it suitable for use in artificial intelligence and machine learning models; and

(2) initiate seed efforts for self-improving artificial intelligence models for science and engineering powered by the data described in paragraph (1).

(c) USES.—

(1) MICROELECTRONICS.—The curated data described in subsection (b)(1) may be used to rapidly develop next-generation microelectronics that have greater capabilities beyond Moore's law while requiring lower energy consumption.

(2) NEW ENERGY TECHNOLOGIES.—The artificial intelligence models developed under subsection (b)(2) shall be provided to the scientific community through the American science cloud to accelerate innovation in discovery science and engineering for new energy technologies.

(d) APPROPRIATIONS.—There is appropriated, out of any funds in the Treasury not otherwise appropriated, $150,000,000, to remain available through September 30, 2026, to carry out this section.

Subtitle E—Water

SEC. 50501. WATER CONVEYANCE AND SURFACE WATER STORAGE ENHANCEMENT.

In addition to amounts otherwise available, there is appropriated to the Secretary of the Interior, acting through the Commissioner of Reclamation, for fiscal year 2025, out of any funds in the Treasury not otherwise appropriated, $1,000,000,000, to remain

available through September 30, 2034, for construction and associated activities that restore or increase the capacity or use of existing conveyance facilities constructed by the Bureau of Reclamation or for construction and associated activities that increase the capacity of existing Bureau of Reclamation surface water storage facilities, in a manner as determined by the Secretary of the Interior, acting through the Commissioner of Reclamation: *Provided*, That, for the purposes of section 203 of the Reclamation Reform Act of 1982 (43 U.S.C. 390cc) or section 3404(a) of the Reclamation Projects Authorization and Adjustment Act of 1992 (Public Law 102–575; 106 Stat. 4708), a contract or agreement entered into pursuant to this section shall not be treated as a new or amended contract: *Provided further*, That none of the funds provided under this section shall be reimbursable or subject to matching or cost-sharing requirements.

TITLE VI—COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 60001. RESCISSION OF FUNDING FOR CLEAN HEAVY-DUTY VEHICLES.

The unobligated balances of amounts made available to carry out section 132 of the Clean Air Act (42 U.S.C. 7432) are rescinded.

SEC. 60002. REPEAL OF GREENHOUSE GAS REDUCTION FUND.

Section 134 of the Clean Air Act (42 U.S.C. 7434) is repealed and the unobligated balances of amounts made available to carry out that section (as in effect on the day before the date of enactment of this Act) are rescinded.

SEC. 60003. RESCISSION OF FUNDING FOR DIESEL EMISSIONS REDUCTIONS.

The unobligated balances of amounts made available to carry out section 60104 of Public Law 117–169 (136 Stat. 2067) are rescinded.

SEC. 60004. RESCISSION OF FUNDING TO ADDRESS AIR POLLUTION.

The unobligated balances of amounts made available to carry out section 60105 of Public Law 117–169 (136 Stat. 2067) are rescinded.

SEC. 60005. RESCISSION OF FUNDING TO ADDRESS AIR POLLUTION AT SCHOOLS.

The unobligated balances of amounts made available to carry out section 60106 of Public Law 117–169 (136 Stat. 2069) are rescinded.

SEC. 60006. RESCISSION OF FUNDING FOR THE LOW EMISSIONS ELECTRICITY PROGRAM.

The unobligated balances of amounts made available to carry out section 135 of the Clean Air Act (42 U.S.C. 7435) are rescinded.

SEC. 60007. RESCISSION OF FUNDING FOR SECTION 211(O) OF THE CLEAN AIR ACT.

The unobligated balances of amounts made available to carry out section 60108 of Public Law 117–169 (136 Stat. 2070) are rescinded.

SEC. 60008. RESCISSION OF FUNDING FOR IMPLEMENTATION OF THE AMERICAN INNOVATION AND MANUFACTURING ACT.

The unobligated balances of amounts made available to carry out section 60109 of Public Law 117–169 (136 Stat. 2071) are rescinded.

SEC. 60009. RESCISSION OF FUNDING FOR ENFORCEMENT TECHNOLOGY AND PUBLIC INFORMATION.

The unobligated balances of amounts made available to carry out section 60110 of Public Law 117–169 (136 Stat. 2071) are rescinded.

SEC. 60010. RESCISSION OF FUNDING FOR GREENHOUSE GAS CORPORATE REPORTING.

The unobligated balances of amounts made available to carry out section 60111 of Public Law 117–169 (136 Stat. 2072) are rescinded.

SEC. 60011. RESCISSION OF FUNDING FOR ENVIRONMENTAL PRODUCT DECLARATION ASSISTANCE.

The unobligated balances of amounts made available to carry out section 60112 of Public Law 117–169 (42 U.S.C. 4321 note; 136 Stat. 2072) are rescinded.

SEC. 60012. RESCISSION OF FUNDING FOR METHANE EMISSIONS AND WASTE REDUCTION INCENTIVE PROGRAM FOR PETROLEUM AND NATURAL GAS SYSTEMS.

(a) RESCISSION.—The unobligated balances of amounts made available to carry out subsections (a) and (b) of section 136 of the Clean Air Act (42 U.S.C. 7436) are rescinded.

(b) PERIOD.—Section 136(g) of the Clean Air Act (42 U.S.C. 7436(g)) is amended by striking ''calendar year 2024'' and inserting ''calendar year 2034''.

SEC. 60013. RESCISSION OF FUNDING FOR GREENHOUSE GAS AIR POLLUTION PLANS AND IMPLEMENTATION GRANTS.

The unobligated balances of amounts made available to carry out section 137 of the Clean Air Act (42 U.S.C. 7437) are rescinded.

SEC. 60014. RESCISSION OF FUNDING FOR ENVIRONMENTAL PROTECTION AGENCY EFFICIENT, ACCURATE, AND TIMELY REVIEWS.

The unobligated balances of amounts made available to carry out section 60115 of Public Law 117–169 (136 Stat. 2077) are rescinded.

SEC. 60015. RESCISSION OF FUNDING FOR LOW-EMBODIED CARBON LABELING FOR CONSTRUCTION MATERIALS.

The unobligated balances of amounts made available to carry out section 60116 of Public Law 117–169 (42 U.S.C. 4321 note; 136 Stat. 2077) are rescinded.

SEC. 60016. RESCISSION OF FUNDING FOR ENVIRONMENTAL AND CLIMATE JUSTICE BLOCK GRANTS.

The unobligated balances of amounts made available to carry out section 138 of the Clean Air Act (42 U.S.C. 7438) are rescinded.

SEC. 60017. RESCISSION OF FUNDING FOR ESA RECOVERY PLANS.

The unobligated balances of amounts made available to carry out section 60301 of Public Law 117–169 (136 Stat. 2079) are rescinded.

SEC. 60018. RESCISSION OF FUNDING FOR ENVIRONMENTAL AND CLIMATE DATA COLLECTION.

The unobligated balances of amounts made available to carry out section 60401 of Public Law 117–169 (136 Stat. 2079) are rescinded.

SEC. 60019. RESCISSION OF NEIGHBORHOOD ACCESS AND EQUITY GRANT PROGRAM.

The unobligated balances of amounts made available to carry out section 177 of title 23, United States Code, are rescinded.

SEC. 60020. RESCISSION OF FUNDING FOR FEDERAL BUILDING ASSISTANCE.

The unobligated balances of amounts made available to carry out section 60502 of Public Law 117–169 (136 Stat. 2083) are rescinded.

SEC. 60021. RESCISSION OF FUNDING FOR LOW-CARBON MATERIALS FOR FEDERAL BUILDINGS.

The unobligated balances of amounts made available to carry out section 60503 of Public Law 117–169 (136 Stat. 2083) are rescinded.

SEC. 60022. RESCISSION OF FUNDING FOR GSA EMERGING AND SUSTAINABLE TECHNOLOGIES.

The unobligated balances of amounts made available to carry out section 60504 of Public Law 117–169 (136 Stat. 2083) are rescinded.

SEC. 60023. RESCISSION OF ENVIRONMENTAL REVIEW IMPLEMENTATION FUNDS.

The unobligated balances of amounts made available to carry out section 178 of title 23, United States Code, are rescinded.

SEC. 60024. RESCISSION OF LOW-CARBON TRANSPORTATION MATERIALS GRANTS.

The unobligated balances of amounts made available to carry out section 179 of title 23, United States Code, are rescinded.

SEC. 60025. JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $256,657,000, to remain available until September 30, 2029, for necessary expenses for capital repair, restoration, maintenance backlog, and security structures of the building and site of the John F. Kennedy Center for the Performing Arts.

(b) ADMINISTRATIVE COSTS.—Of the amounts made available under subsection (a), not more than 3 percent may be used for administrative costs necessary to carry out this section.

SEC. 60026. PROJECT SPONSOR OPT-IN FEES FOR ENVIRONMENTAL REVIEWS.

Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) is amended by adding at the end the following:

''SEC. 112. PROJECT SPONSOR OPT-IN FEES FOR ENVIRONMENTAL REVIEWS.

''(a) PROCESS.—

''(1) PROJECT SPONSOR.—A project sponsor that intends to pay a fee under this section for the preparation, or supervision of the preparation, of an environmental assessment or environmental impact statement for a project shall submit to the Council—

''(A) a description of the project; and

''(B) a declaration of whether the project sponsor intends to prepare the environmental assessment or environmental impact statement under section 107(f).

''(2) COUNCIL ON ENVIRONMENTAL QUALITY.—Not later than 15 days after the date on which the Council receives information described in paragraph (1) from a project sponsor, the Council shall provide to the project sponsor notice of the amount of the fee to be paid under this section, as determined under subsection (b).

''(3) PAYMENT OF FEE.—A project sponsor may pay a fee under this section after receipt of the notice described in paragraph (2).

''(4) DEADLINE FOR ENVIRONMENTAL REVIEWS FOR WHICH A FEE IS PAID.—Notwithstanding section 107(g)(1)—

''(A) an environmental assessment for which a fee is paid under this section shall be completed not later than 180 days after the date on which the fee is paid; and

''(B) an environmental impact statement for which a fee is paid under this section shall be completed not later than 1 year after the date of publication of the notice of intent to prepare the environmental impact statement.

''(b) FEE AMOUNT.—The amount of a fee under this section shall be—

''(1) 125 percent of the anticipated costs to prepare the environmental assessment or environmental impact statement; and

''(2) in the case of an environmental assessment or environmental impact statement to be prepared in whole or in part by a project sponsor under section 107(f), 125 percent of the anticipated costs to supervise preparation of, and, as applicable, prepare, the environmental assessment or environmental impact statement.''.

TITLE VII—FINANCE

Subtitle A—Tax

SEC. 70001. REFERENCES TO THE INTERNAL REVENUE CODE OF 1986, ETC.

(a) REFERENCES.—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.

(b) CERTAIN RULES REGARDING EFFECT OF RATE CHANGES NOT APPLICABLE.—Section 15 of the Internal Revenue Code of 1986 shall not apply to any change in rate of tax by reason of any provision of, or amendment made by, this title.

CHAPTER 1—PROVIDING PERMANENT TAX RELIEF FOR MIDDLE-CLASS FAMILIES AND WORKERS

SEC. 70101. EXTENSION AND ENHANCEMENT OF REDUCED RATES.

(a) IN GENERAL.—Section 1(j) is amended—

(1) in paragraph (1), by striking '', and before January 1, 2026'', and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) INFLATION ADJUSTMENT.—Section 1(j)(3)(B)(i) is amended by inserting ''solely for purposes of determining the dollar amounts at which any rate bracket higher than 12 percent ends and at which any rate bracket higher than 22 percent begins,'' before ''subsection (f)(3)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70102. EXTENSION AND ENHANCEMENT OF INCREASED STANDARD DEDUCTION.

(a) IN GENERAL.—Section 63(c)(7) is amended—

(1) by striking '', and before January 1, 2026'' in the matter preceding subparagraph (A), and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) ADDITIONAL INCREASE IN STANDARD DEDUCTION.—Paragraph (7) of section 63(c) is amended—

(1) by striking ''$18,000'' both places it appears in subparagraphs (A)(i) and (B)(ii) and inserting ''$23,625'',

(2) by striking ''$12,000'' both places it appears in subparagraphs (A)(ii) and (B)(ii) and inserting ''$15,750'',

(3) by striking ''2018'' in subparagraph (B)(ii) and inserting ''2025'', and

(4) by striking ''2017'' in subparagraph (B)(ii)(II) and inserting ''2024''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SEC. 70103. TERMINATION OF DEDUCTION FOR PERSONAL EXEMPTIONS OTHER THAN TEMPORARY SENIOR DEDUCTION.

(a) IN GENERAL.—Section 151(d)(5) is amended—

(1) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017'',

(2) by striking '', and before January 1, 2026'', and

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

''(C) DEDUCTION FOR SENIORS.—

''(i) IN GENERAL.—In the case of a taxable year beginning before January 1, 2029, there shall be allowed a deduction in an amount equal to $6,000 for each qualified individual with respect to the taxpayer.

''(ii) QUALIFIED INDIVIDUAL.—For purposes of clause (i), the term 'qualified individual' means—

''(I) the taxpayer, if the taxpayer has attained age 65 before the close of the taxable year, and

''(II) in the case of a joint return, the taxpayer's spouse, if such spouse has attained age 65 before the close of the taxable year.

''(iii) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(I) IN GENERAL.—In the case of any taxpayer for any taxable year, the $6,000 amount in clause (i) shall be reduced (but not below zero) by 6 percent of so much of the taxpayer's modified adjusted gross income as exceeds $75,000 ($150,000 in the case of a joint return).

''(II) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this clause, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

''(iv) SOCIAL SECURITY NUMBER REQUIRED.—

''(I) IN GENERAL.—Clause (i) shall not apply with respect to a qualified individual unless the taxpayer includes such qualified individual's social security number on the return of tax for the taxable year.

''(II) SOCIAL SECURITY NUMBER.—For purposes of subclause (I), the term 'social security number' has the meaning given such term in section 24(h)(7).

''(v) MARRIED INDIVIDUALS.—If the taxpayer is a married individual (within the meaning of section 7703), this subparagraph shall apply only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.''.

(b) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2) is amended by striking ''and'' at the end of subparagraph (U), by striking the period at the end of subparagraph (V) and inserting '', and'', and by inserting after subparagraph (V) the following new subparagraph:

''(W) an omission of a correct social security number required under section 151(d)(5)(C) (relating to deduction for seniors).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SEC. 70104. EXTENSION AND ENHANCEMENT OF INCREASED CHILD TAX CREDIT.

(a) EXTENSION AND INCREASE OF EXPANDED CHILD TAX CREDIT.—Section 24(h) is amended—

(1) in paragraph (1), by striking '', and before January 1, 2026'',

(2) in paragraph (2), by striking ''$2,000'' and inserting ''$2,200'', and

(3) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) SOCIAL SECURITY NUMBER REQUIRED.—Section 24(h)(7) is amended to read as follows:

''(7) SOCIAL SECURITY NUMBER REQUIRED.—

''(A) IN GENERAL.—No credit shall be allowed under this section to a taxpayer with respect to any qualifying child unless the taxpayer includes on the return of tax for the taxable year—

''(i) the taxpayer's social security number (or, in the case of a joint return, the social security number of at least 1 spouse), and

''(ii) the social security number of such qualifying child.

''(B) SOCIAL SECURITY NUMBER.—For purposes of this paragraph, the term 'social security number' means a social security number issued to an individual by the Social Security Administration, but only if the social security number is issued—

''(i) to a citizen of the United States or pursuant to subclause (I) (or that portion of subclause (III) that relates to subclause (I)) of section 205(c)(2)(B)(i) of the Social Security Act, and

''(ii) before the due date for such return.''.

(c) INFLATION ADJUSTMENTS.—Section 24(i) is amended to read as follows:

''(i) INFLATION ADJUSTMENTS.—

''(1) MAXIMUM AMOUNT OF REFUNDABLE CREDIT.—In the case of a taxable year beginning after 2024, the $1,400 amount in subsection (h)(5) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting '2017' for '2016' in subparagraph (A)(ii) thereof.

''(2) SPECIAL RULE FOR ADJUSTMENT OF CREDIT AMOUNT.—In the case of a taxable year beginning after 2025, the $2,200 amount in subsection (h)(2) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting '2024' for '2016' in subparagraph (A)(ii) thereof.

''(3) ROUNDING.—If any increase under this subsection is not a multiple of $100, such increase shall be rounded to the next lowest multiple of $100.''.

(d) CONFORMING AMENDMENT.—Section 24(h)(5) is amended to read as follows:

''(5) MAXIMUM AMOUNT OF REFUNDABLE CREDIT.—The amount determined under subsection (d)(1)(A) with respect to any qualifying child shall not exceed $1,400, and such subsection shall be applied without regard to paragraph (4) of this subsection.''.

(e) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2)(I) is amended by striking ''section 24(e)'' and inserting ''section 24''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SEC. 70105. EXTENSION AND ENHANCEMENT OF DEDUCTION FOR QUALIFIED BUSINESS INCOME.

(a) INCREASE IN TAXABLE INCOME LIMITATION PHASE-IN AMOUNTS.—

(1) IN GENERAL.—Subparagraph (B) of section 199A(b)(3) is amended by striking ''$50,000 ($100,000 in the case of a joint return)'' each place it appears and inserting ''$75,000 ($150,000 in the case of a joint return)''.

(2) CONFORMING AMENDMENT.—Paragraph (3) of section 199A(d) is amended by striking ''$50,000 ($100,000 in the case of a joint return)'' each place it appears and inserting ''$75,000 ($150,000 in the case of a joint return)''.

(b) MINIMUM DEDUCTION FOR ACTIVE QUALIFIED BUSINESS INCOME.—

(1) IN GENERAL.—Subsection (i) of section 199A is amended to read as follows:

''(i) MINIMUM DEDUCTION FOR ACTIVE QUALIFIED BUSINESS INCOME.—

''(1) IN GENERAL.—In the case of an applicable taxpayer for any taxable year, the deduction allowed under subsection (a) for the taxable year shall be equal to the greater of—

''(A) the amount of such deduction determined without regard to this subsection, or

''(B) $400.

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

''(A) IN GENERAL.—The term 'applicable taxpayer' means, with respect to any taxable year, a taxpayer whose aggregate qualified business income with respect to all active qualified trades or businesses of the taxpayer for such taxable year is at least $1,000.

''(B) ACTIVE QUALIFIED TRADE OR BUSINESS.—The term 'active qualified trade or business' means, with respect to any taxpayer for any taxable year, any qualified trade or business of the taxpayer in which the taxpayer materially participates (within the meaning of section 469(h)).

''(3) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 2026, the $400 amount in paragraph (1)(B) and the $1,000 amount in paragraph (2)(A) shall each be increased by an amount equal to —

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any increase under this paragraph is not a multiple of $5, such increase shall be rounded to the nearest multiple of $5.''.

(2) CONFORMING AMENDMENT.—Section 199A(a) is amended by inserting ''except as provided in subsection (i),'' before ''there''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70106. EXTENSION AND ENHANCEMENT OF INCREASED ESTATE AND GIFT TAX EXEMPTION AMOUNTS.

(a) IN GENERAL.—Section 2010(c)(3) is amended—

(1) in subparagraph (A) by striking ''$5,000,000'' and inserting ''$15,000,000'',

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking ''2011'' and inserting ''2026'', and

(B) in clause (ii), by striking ''calendar year 2010'' and inserting ''calendar year 2025'', and

(3) by striking subparagraph (C).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2025.

SEC. 70107. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNTS AND MODIFICATION OF PHASEOUT THRESHOLDS.

(a) IN GENERAL.—Section 55(d)(4) is amended—

(1) in subparagraph (A), by striking '', and before January 1, 2026'', and

(2) by striking ''AND BEFORE 2026'' in the heading.

(b) MODIFICATION OF INFLATION ADJUSTMENT.—Section 55(d)(4)(B) is amended—

(1) by striking ''2018'' and inserting ''2018 (2026, in the case of the $1,000,000 amount in subparagraph (A)(ii)(I))'', and

(2) by striking ''determined by substituting 'calendar year 2017' for 'calendar year 2016' in subparagraph (A)(ii) thereof.'' and inserting ''determined by substituting for 'calendar year 2016' in subparagraph (A)(ii) thereof—

''(1) 'calendar year 2017', in the case of the $109,400 amount in subparagraph (A)(i)(I) and the $70,300 amount in subparagraph (A)(i)(II), and

''(2) 'calendar year 2025', in the case of the $1,000,000 amount in subparagraph (A)(ii)(I).''.

(c) MODIFICATION OF PHASEOUT AMOUNT.—Section 55(d)(4)(A)(ii) is amended by striking ''and'' at the end of subclause (II), and by adding at the end the following new subclause:

''(IV) by substituting '50 percent' for '25 percent', and''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70108. EXTENSION AND MODIFICATION OF LIMITATION ON DEDUCTION FOR QUALIFIED RESIDENCE INTEREST.

(a) IN GENERAL.—Section 163(h)(3)(F) is amended—

(1) in clause (i)—

(A) by striking '', and before January 1, 2026'',

(B) by redesignating subclauses (III) and (IV) as subclauses (IV) and (V), respectively,

(C) by striking ''subclause (III)'' in subclause (V), as so redesignated, and inserting ''subclause (IV)'', and

(D) by inserting after subclause (II) the following new subclause:

''(III) MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.—Clause (iv) of subparagraph (E) shall not apply.'',

(2) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and

(3) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70109. EXTENSION AND MODIFICATION OF LIMITATION ON CASUALTY LOSS DEDUCTION.

(a) IN GENERAL.—Section 165(h)(5) is amended—

(1) in subparagraph (A), by striking '', and before January 1, 2026'', and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) EXTENSION TO STATE DECLARED DISASTERS.—

(1) IN GENERAL.—Subparagraph (A) of section 165(h)(5), as amended by subsection (a), is further amended by striking ''(i)(5))'' and inserting ''(i)(5)) or a State declared disaster''.

(2) EXCEPTION RELATED TO PERSONAL CASUALTY GAINS.—Clause (i) of section 165(h)(5)(B) is amended by striking ''(as so defined)'' and inserting ''(as so defined) or a State declared disaster''.

(3) STATE DECLARED DISASTER.—Paragraph (5) of section 165(h) is amended by adding at the end the following new subparagraph:

''(C) STATE DECLARED DISASTER.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'State declared disaster' means, with respect to any State, any natural catastrophe (including any hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the State, which in the determination of the Governor of such State (or the Mayor, in the case of the District of Columbia) and the Secretary causes damage of sufficient severity and magnitude to warrant the application of the rules of this section.

''(ii) STATE.—The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70110. TERMINATION OF MISCELLANEOUS ITEMIZED DEDUCTIONS OTHER THAN EDUCATOR EXPENSES.

(a) IN GENERAL.—Section 67(g) is amended—

(1) by striking '', and before January 1, 2026'', and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) DEDUCTION FOR EDUCATOR EXPENSES.—

(1) IN GENERAL.—Section 67(b) is amended by striking ''and'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', and'', and by adding at the end the following new paragraph:

''(13) the deductions allowed by section 162 for educator expenses (as defined in subsection (g)).''.

(2) INCLUSION OF COACHES AND CERTAIN NON-ATHLETIC INSTRUCTIONAL EQUIPMENT.—Section 67 is amended by redesignating subsection (g), as amended by this section, as subsection (h), and by inserting after subsection (f) the following new section:

''(g) EDUCATOR EXPENSES.—For purposes of subsection (b)(13), the term 'educator expenses' means expenses of a type which would be described in section 62(a)(2)(D) if—

''(1) such section were applied—

''(A) without regard to the dollar limitation,

''(B) without regard to '(other than non-athletic supplies for courses of instruction in health or physical education)' in clause (ii) thereof, and

''(C) by substituting 'as part of instructional activity' for 'in the classroom' in clause (ii) thereof, and

''(2) section 62(d)(1)(A) were applied by inserting ', interscholastic sports administrator or coach,' after 'counselor'.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70111. LIMITATION ON TAX BENEFIT OF ITEMIZED DEDUCTIONS.

(a) IN GENERAL.—Section 68 is amended to read as follows:

''(a) IN GENERAL.—In the case of an individual, the amount of the itemized deductions otherwise allowable for the taxable year (determined without regard to this section) shall be reduced by $\frac{2}{37}$ of the lesser of—

''(1) such amount of itemized deductions, or

''(2) so much of the taxable income of the taxpayer for the taxable year (determined without regard to this section and increased by such amount of itemized deductions) as exceeds the dollar amount at which the 37 percent rate bracket under section 1 begins with respect to the taxpayer.

''(b) COORDINATION WITH OTHER LIMITATIONS.—This section shall be applied after the application of any other limitation on the allowance of any itemized deduction.''.

(b) LIMITATION NOT APPLICABLE TO DETERMINATION OF DEDUCTION FOR QUALIFIED BUSINESS INCOME.—

(1) IN GENERAL.—Section 199A(e)(1) is amended by inserting ''without regard to section 68 and'' after ''shall be computed''.

(2) PATRONS OF SPECIFIED AGRICULTURAL AND HORTICULTURAL COOPERATIVES.—Section 199A(g)(2)(B) is amended by inserting ''section 68 or'' after ''without regard to''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70112. EXTENSION AND MODIFICATION OF QUALIFIED TRANSPORTATION FRINGE BENEFITS.

(a) IN GENERAL.—Section 132(f) is amended—

(1) by striking subparagraph (D) of paragraph (1),

(2) in paragraph (2), by inserting ''and'' at the end of subparagraph (A), by striking '', and'' at the end of subparagraph (B) and inserting a period, and by striking subparagraph (C),

(3) by striking ''(other than a qualified bicycle commuting reimbursement)'' in paragraph (4),

(4) by striking subparagraph (F) of paragraph (5), and

(5) by striking paragraph (8).

(b) INFLATION ADJUSTMENT.—Clause (ii) of section 132(f)(6)(A) is amended by striking ''1998'' in clause (ii) and inserting ''1997''.

(c) COORDINATION WITH DISALLOWANCE OF CERTAIN EXPENSES.—Subsection (l) of section 274 is amended—

(1) by striking ''BENEFITS.—'' and all that follows through ''No deduction'' and inserting ''BENEFITS.—No deduction'', and

(2) by striking paragraph (2).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70113. EXTENSION AND MODIFICATION OF LIMITATION ON DEDUCTION AND EXCLUSION FOR MOVING EXPENSES.

(a) EXTENSION OF LIMITATION ON DEDUCTION.—Section 217(k) is amended—

(1) by striking '', and before January 1, 2026'', and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(b) ALLOWANCE OF DEDUCTION FOR MEMBERS OF THE INTELLIGENCE COMMUNITY.—Section 217(k), as amended by subsection (a), is further amended—

(1) by striking ''2017.—Except in the case'' and inserting ''2017.—

''(1) IN GENERAL.—Except in the case'', and

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

''(2) MEMBERS OF THE INTELLIGENCE COMMUNITY.—An employee or new appointee of the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) (other than a member of the Armed Forces of the United States) who moves pursuant to a change in assignment which requires relocation shall be treated for purposes of this section in the same manner as an individual to whom subsection (g) applies.''.

(c) EXTENSION OF LIMITATION ON EXCLUSION.—Section 132(g)(2) is amended—

(1) by striking '', and before January 1, 2026'', and

(2) by striking ''2018 THROUGH 2025'' in the heading and inserting ''BEGINNING AFTER 2017''.

(d) ALLOWANCE OF EXCLUSION FOR MEMBERS OF THE INTELLIGENCE COMMUNITY.—Section 132(g)(2) of the Internal Revenue Code of 1986 is amended by inserting '', or an employee or new appointee of the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) (other than a member of the Armed Forces of the United States) who moves pursuant to a change in assignment that requires relocation'' after ''change of station''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70114. EXTENSION AND MODIFICATION OF LIMITATION ON WAGERING LOSSES.

(a) IN GENERAL.—Section 165 is amended by striking subsection (d) and inserting the following:

''(d) WAGERING LOSSES.—

''(1) IN GENERAL.—For purposes of losses from wagering transactions, the amount allowed as a deduction for any taxable year—

''(A) shall be equal to 90 percent of the amount of such losses during such taxable year, and

''(B) shall be allowed only to the extent of the gains from such transactions during such taxable year.

''(2) SPECIAL RULE.—For purposes of paragraph (1), the term 'losses from wagering transactions' includes any deduction otherwise allowable under this chapter incurred in carrying on any wagering transaction.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70115. EXTENSION AND ENHANCEMENT OF INCREASED LIMITATION ON CONTRIBUTIONS TO ABLE ACCOUNTS.

(a) IN GENERAL.—Section 529A(b)(2)(B) is amended—

(1) in clause (i), by inserting ''(determined by substituting '1996' for '1997' in paragraph (2)(B) thereof)'' after ''section 2503(b)'', and

(2) in clause (ii), by striking ''before January 1, 2026''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to contributions made after December 31, 2025.

(2) MODIFIED INFLATION ADJUSTMENT.—The amendment made by subsection (a)(1) shall apply to taxable years beginning after December 31, 2025.

SEC. 70116. EXTENSION AND ENHANCEMENT OF SAVERS CREDIT ALLOWED FOR ABLE CONTRIBUTIONS.

(a) EXTENSION.—

(1) IN GENERAL.—Section 25B(d)(1) is amended to read as follows:

''(1) IN GENERAL.—The term 'qualified retirement savings contributions' means, with respect to any taxable year, the sum of—

''(A) the amount of contributions made by the eligible individual during such taxable year to the ABLE account (within the meaning of section 529A) of which such individual is the designated beneficiary, and

''(B) in the case of any taxable year beginning before January 1, 2027—

''(i) the amount of the qualified retirement contributions (as defined in section 219(e)) made by the eligible individual,

''(ii) the amount of—

''(I) any elective deferrals (as defined in section 402(g)(3)) of such individual, and

''(II) any elective deferral of compensation by such individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

''(iii) the amount of voluntary employee contributions by such individual to any qualified retirement plan (as defined in section 4974(c)).''.

(2) COORDINATION WITH SECURE 2.0 ACT OF 2022 AMENDMENT.—Paragraph (1) of section 103(e) of the SECURE 2.0 Act of 2022 is repealed, and the Internal Revenue Code of 1986 shall be applied and administered as though such paragraph were never enacted.

(3) EFFECTIVE DATE.—The amendments and repeal made by this subsection shall apply to taxable years ending after December 31, 2025.

(b) INCREASE OF CREDIT AMOUNT.—

(1) IN GENERAL.—Section 25B(a) is amended by striking ''$2,000'' and inserting ''$2,100''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2026.

SEC. 70117. EXTENSION OF ROLLOVERS FROM QUALIFIED TUITION PROGRAMS TO ABLE ACCOUNTS PERMITTED.

(a) IN GENERAL.—Section 529(c)(3)(C)(i)(III) is amended by striking ''before January 1, 2026,''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70118. EXTENSION OF TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN THE SINAI PENINSULA AND ENHANCEMENT TO INCLUDE ADDITIONAL AREAS.

(a) TREATMENT MADE PERMANENT.—Section 11026(a) of Public Law 115–97 is amended by striking '', with respect to the applicable period''.

(b) KENYA, MALI, BURKINA FASO, AND CHAD INCLUDED AS HAZARDOUS DUTY AREAS.—Section 11026(b) of Public Law 115–97 is amended to read as follows:

''(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term 'qualified hazardous duty area' means each of the following locations, but only during the period for which any member of the Armed Forces of the United States is entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger), for services performed in such location:

''(1) the Sinai Peninsula of Egypt.

''(2) Kenya.

''(3) Mali.

''(4) Burkina Faso.

''(5) Chad.''.

(c) CONFORMING AMENDMENT.—Section 11026 of Public Law 115–97 is amended by striking subsections (c) and (d).

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2026.

SEC. 70119. EXTENSION AND MODIFICATION OF EXCLUSION FROM GROSS INCOME OF STUDENT LOANS DISCHARGED ON ACCOUNT OF DEATH OR DISABILITY.

(a) IN GENERAL.—Section 108(f)(5) is amended to read as follows:

''(5) DISCHARGES ON ACCOUNT OF DEATH OR DISABILITY.—

''(A) IN GENERAL.—In the case of an individual, gross income does not include any amount which (but for this subsection) would be includible in gross income for such taxable year by reason of the discharge (in whole or in part) of any loan described in subparagraph (B), if such discharge was—

''(i) pursuant to subsection (a) or (d) of section 437 of the Higher Education Act of 1965 or the parallel benefit under part D of title IV of such Act (relating to the repayment of loan liability),

''(ii) pursuant to section 464(c)(1)(F) of such Act, or

''(iii) otherwise discharged on account of death or total and permanent disability of the student.

''(B) LOANS DISCHARGED.—A loan is described in this subparagraph if such loan is—

''(i) a student loan (as defined in paragraph (2)), or

''(ii) a private education loan (as defined in section 140(a) of the Consumer Credit Protection Act (15 U.S.C. 1650(a)).

''(C) SOCIAL SECURITY NUMBER REQUIREMENT.—

''(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to any discharge during any taxable year unless the taxpayer includes the taxpayer's social security number on the return of tax for such taxable year.

''(ii) SOCIAL SECURITY NUMBER.—For purposes of this subparagraph, the term 'social security number' has the meaning given such term in section 24(h)(7).''.

(b) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2), as amended by this Act, is further amended by striking ''and'' at the end of subparagraph (V), by striking the period at the end of subparagraph (W) and inserting '', and'', and by inserting after subparagraph (W) the following new subparagraph:

''(X) an omission of a correct social security number required under section 108(f)(5)(C) (relating to discharges on account of death or disability).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges after December 31, 2025.

SEC. 70120. LIMITATION ON INDIVIDUAL DEDUCTIONS FOR CERTAIN STATE AND LOCAL TAXES, ETC.

(a) IN GENERAL.—Section 164(b)(6) is amended—

(1) by striking ''and before January 1, 2026'', and

(2) by striking ''$10,000 ($5,000 in the case of a married individual filing a separate return)'' and inserting ''the applicable limitation amount (half the applicable limitation amount in the case of a married individual filing a separate return)''.

(b) APPLICABLE LIMITATION AMOUNT.—Section 164(b) is amended by adding at the end the following new paragraph:

''(7) APPLICABLE LIMITATION AMOUNT.—

''(A) IN GENERAL.—For purposes of paragraph (6), the term 'applicable limitation amount' means—

''(i) in the case of any taxable year beginning in calendar year 2025, $40,000,

''(ii) in the case of any taxable year beginning in calendar year 2026, $40,400,

''(iii) in the case of any taxable year beginning after calendar year 2026 and before 2030, 101 percent of the dollar amount in effect under this subparagraph for taxable years beginning in the preceding calendar year, and

''(iv) in the case of any taxable year beginning after calendar year 2029, $10,000.

''(B) PHASEDOWN BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(i) IN GENERAL.—Except as provided in clause (iii), in the case of any taxable year

beginning before January 1, 2030, the applicable limitation amount shall be reduced by 30 percent of the excess (if any) of the taxpayer's modified adjusted gross income over the threshold amount (half the threshold amount in the case of a married individual filing a separate return).

''(ii) THRESHOLD AMOUNT.—For purposes of this subparagraph, the term 'threshold amount' means—

''(I) in the case of any taxable year beginning in calendar year 2025, $500,000,

''(II) in the case of any taxable year beginning in calendar year 2026, $505,000, and

''(III) in the case of any taxable year beginning after calendar year 2026, 101 percent of the dollar amount in effect under this subparagraph for taxable years beginning in the preceding calendar year.

''(iii) LIMITATION ON REDUCTION.—The reduction under clause (i) shall not result in the applicable limitation amount being less than $10,000.

''(iv) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means adjusted gross income increased by any amount excluded from gross income under section 911, 931, or 933.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

CHAPTER 2—DELIVERING ON PRESIDENTIAL PRIORITIES TO PROVIDE NEW MIDDLE-CLASS TAX RELIEF

SEC. 70201. NO TAX ON TIPS.

(a) DEDUCTION ALLOWED.—Part VII of subchapter B of chapter 1 is amended by redesignating section 224 as section 225 and by inserting after section 223 the following new section:

''SEC. 224. QUALIFIED TIPS.

''(a) IN GENERAL.—There shall be allowed as a deduction an amount equal to the qualified tips received during the taxable year that are included on statements furnished to the individual pursuant to section 6041(d)(3), 6041A(e)(3), 6050W(f)(2), or 6051(a)(18), or reported by the taxpayer on Form 4137 (or successor).

''(b) LIMITATION.—

''(1) IN GENERAL.—The amount allowed as a deduction under this section for any taxable year shall not exceed $25,000.

''(2) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The amount allowable as a deduction under subsection (a) (after application of paragraph (1)) shall be reduced (but not below zero) by $100 for each $1,000 by which the taxpayer's modified adjusted gross income exceeds $150,000 ($300,000 in the case of a joint return).

''(B) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

''(c) TIPS RECEIVED IN COURSE OF TRADE OR BUSINESS.—In the case of qualified tips received by an individual during any taxable year in the course of a trade or business (other than the trade or business of performing services as an employee) of such individual, such qualified tips shall be taken into account under subsection (a) only to the extent that the gross income for the taxpayer from such trade or business for such taxable year (including such qualified tips) exceeds the sum of the deductions (other than the deduction allowed under this section) allocable to the trade or business in which such qualified tips are received by the individual for such taxable year.

''(d) QUALIFIED TIPS.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified tips' means cash tips received by an individual in an occupation which customarily and regularly received tips on or before December 31, 2024, as provided by the Secretary.

''(2) EXCLUSIONS.—Such term shall not include any amount received by an individual unless—

''(A) such amount is paid voluntarily without any consequence in the event of nonpayment, is not the subject of negotiation, and is determined by the payor,

''(B) the trade or business in the course of which the individual receives such amount is not a specified service trade or business (as defined in section 199A(d)(2)), and

''(C) such other requirements as may be established by the Secretary in regulations or other guidance are satisfied.

For purposes of subparagraph (B), in the case of an individual receiving tips in the trade or business of performing services as an employee, such individual shall be treated as receiving tips in the course of a trade or business which is a specified service trade or business if the trade or business of the employer is a specified service trade or business.

''(3) CASH TIPS.—For purposes of paragraph (1), the term 'cash tips' includes tips received from customers that are paid in cash or charged and, in the case of an employee, tips received under any tip-sharing arrangement.

''(e) SOCIAL SECURITY NUMBER REQUIRED.—

''(1) IN GENERAL.—No deduction shall be allowed under this section unless the taxpayer includes on the return of tax for the taxable year such individual's social security number.

''(2) SOCIAL SECURITY NUMBER DEFINED.—For purposes of paragraph (1), the term 'social security number' shall have the meaning given such term in section 24(h)(7).

''(f) MARRIED INDIVIDUALS.—If the taxpayer is a married individual (within the meaning of section 7703), this section shall apply only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary to prevent reclassification of income as qualified tips, including regulations or other guidance to prevent abuse of the deduction allowed by this section.

''(h) TERMINATION.—No deduction shall be allowed under this section for any taxable year beginning after December 31, 2028.''.

(b) DEDUCTION ALLOWED TO NONITEMIZERS.—Section 63(b) is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by adding at the end the following new paragraph:

''(5) the deduction provided in section 224.''.

(c) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2), as amended by the preceding provisions of this Act, is amended by striking ''and'' at the end of subparagraph (W), by striking the period at the end of subparagraph (X) and inserting '', and'', and by inserting after subparagraph (X) the following new subparagraph:

''(Y) an omission of a correct social security number required under section 224(e) (relating to deduction for qualified tips).''.

(d) EXCLUSION FROM QUALIFIED BUSINESS INCOME.—Section 199A(c)(4) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) any amount with respect to which a deduction is allowable to the taxpayer under section 224(a) for the taxable year.''.

(e) EXTENSION OF TIP CREDIT TO BEAUTY SERVICE BUSINESS.—

(1) IN GENERAL.—Section 45B(b)(2) is amended to read as follows:

''(2) APPLICATION ONLY TO CERTAIN LINES OF BUSINESS.—In applying paragraph (1) there shall be taken into account only tips received from customers or clients in connection with the following services:

''(A) The providing, delivering, or serving of food or beverages for consumption, if the tipping of employees delivering or serving food or beverages by customers is customary.

''(B) The providing of any of the following services to a customer or client if the tipping of employees providing such services is customary:

''(i) Barbering and hair care.

''(ii) Nail care.

''(iii) Esthetics.

''(iv) Body and spa treatments.''.

(2) CREDIT DETERMINED WITH RESPECT TO MINIMUM WAGE IN EFFECT.—Section 45B(b)(1)(B) is amended—

(A) by striking ''as in effect on January 1, 2007, and'', and

(B) by inserting '', and in the case of food or beverage establishments, as in effect on January 1, 2007'' after ''without regard to section 3(m) of such Act''.

(f) REPORTING REQUIREMENTS.—

(1) RETURNS FOR PAYMENTS MADE IN THE COURSE OF A TRADE OR BUSINESS.—

(A) STATEMENT FURNISHED TO SECRETARY.—Section 6041(a) is amended by inserting ''(including a separate accounting of any such amounts reasonably designated as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips)'' after ''such gains, profits, and income''.

(B) STATEMENT FURNISHED TO PAYEE.—Section 6041(d) 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) in the case of compensation to nonemployees, the portion of payments that have been reasonably designated as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips.''.

(2) RETURNS FOR PAYMENTS MADE FOR SERVICES AND DIRECT SALES.—

(A) STATEMENT FURNISHED TO SECRETARY.—Section 6041A(a) is amended by inserting ''(including a separate accounting of any such amounts reasonably designated as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips)'' after ''amount of such payments''.

(B) STATEMENT FURNISHED TO PAYEE.—Section 6041A(e) 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) in the case of subsection (a), the portion of payments that have been reasonably designated as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips.''.

(3) RETURNS RELATING TO THIRD PARTY SETTLEMENT ORGANIZATIONS.—

(A) STATEMENT FURNISHED TO SECRETARY.—Section 6050W(a) 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 adding at the end the following new paragraph:

''(3) in the case of a third party settlement organization, the portion of reportable payment transactions that have been reasonably designated by payors as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips.''.

(B) STATEMENT FURNISHED TO PAYEE.—Section 6050W(f)(2) is amended by inserting ''(including a separate accounting of any such amounts that have been reasonably designated by payors as cash tips and the occupation described in section 224(d)(1) of the person receiving such tips)'' after ''reportable payment transactions''.

(4) RETURNS RELATED TO WAGES.—Section 6051(a) is amended by striking ''and'' at the end of paragraph (16), by striking the period at the end of paragraph (17) and inserting '', and'', and by inserting after paragraph (17) the following new paragraph:

''(18) the total amount of cash tips reported by the employee under section 6053(a) and the occupation described in section 224(d)(1) such person.''.

(g) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 is amended by redesignating the item relating to section 224 as relating to section 225 and by inserting after the item relating to section 223 the following new item:

''Sec. 224. Qualified tips.''.

(h) PUBLISHED LIST OF OCCUPATIONS TRADITIONALLY RECEIVING TIPS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary's delegate) shall publish a list of occupations which customarily and regularly received tips on or before December 31, 2024, for purposes of section 224(d)(1) of the Internal Revenue Code of 1986 (as added by subsection (a)).

(i) WITHHOLDING.—The Secretary of the Treasury (or the Secretary's delegate) shall modify the procedures prescribed under section 3402(a) of the Internal Revenue Code of 1986 for taxable years beginning after December 31, 2025, to take into account the deduction allowed under section 224 of such Code (as added by this Act).

(j) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

(k) TRANSITION RULE.—In the case of any cash tips required to be reported for periods before January 1, 2026, persons required to file returns or statements under section 6041(a), 6041(d)(3), 6041A(a), 6041A(e)(3), 6050W(a), or 6050W(f)(2) of the Internal Revenue Code of 1986 (as amended by this section) may approximate a separate accounting of amounts designated as cash tips by any reasonable method specified by the Secretary.

SEC. 70202. NO TAX ON OVERTIME.

(a) DEDUCTION ALLOWED.—Part VII of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by redesignating section 225 as section 226 and by inserting after section 224 the following new section:

''SEC. 225. QUALIFIED OVERTIME COMPENSATION.

''(a) IN GENERAL.—There shall be allowed as a deduction an amount equal to the qualified overtime compensation received during the taxable year and included on statements furnished to the individual pursuant to section 6041(d)(4) or 6051(a)(19).

''(b) LIMITATION.—

''(1) IN GENERAL.—The amount allowed as a deduction under this section for any taxable year shall not exceed $12,500 ($25,000 in the case of a joint return).

''(2) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The amount allowable as a deduction under subsection (a) (after application of paragraph (1)) shall be reduced (but not below zero) by $100 for each $1,000 by which the taxpayer's modified adjusted gross income exceeds $150,000 ($300,000 in the case of a joint return).

''(B) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

''(c) QUALIFIED OVERTIME COMPENSATION.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified overtime compensation' means overtime compensation paid to an individual required under section 7 of the Fair Labor Standards Act of 1938 that is in excess of the regular rate (as used in such section) at which such individual is employed.

''(2) EXCLUSIONS.—Such term shall not include any qualified tip (as defined in section 224(d)).

''(d) SOCIAL SECURITY NUMBER REQUIRED.—

''(1) IN GENERAL.—No deduction shall be allowed under this section unless the taxpayer includes on the return of tax for the taxable year such individual's social security number.

''(2) SOCIAL SECURITY NUMBER DEFINED.—For purposes of paragraph (1), the term 'social security number' shall have the meaning given such term in section 24(h)(7).

''(e) MARRIED INDIVIDUALS.—If the taxpayer is a married individual (within the meaning of section 7703), this section shall apply only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

''(f) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations or other guidance to prevent abuse of the deduction allowed by this section.

''(g) TERMINATION.—No deduction shall be allowed under this section for any taxable year beginning after December 31, 2028.''.

(b) DEDUCTION ALLOWED TO NONITEMIZERS.—Section 63(b), as amended by the preceding provisions of this Act, is amended by striking ''and'' at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting '', and'', and by adding at the end the following new paragraph:

''(6) the deduction provided in section 225.''.

(c) REPORTING.—

(1) REQUIREMENT TO INCLUDE OVERTIME COMPENSATION ON W-2.—Section 6051(a), as amended by the preceding provision of this Act, is amended by striking ''and'' at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting '', and'', and by inserting after paragraph (18) the following new paragraph:

''(19) the total amount of qualified overtime compensation (as defined in section 225(c)).''.

(2) PAYMENTS TO PERSONS NOT TREATED AS EMPLOYEES UNDER TAX LAWS.—

(A) STATEMENT FURNISHED TO SECRETARY.—Section 6041(a), as amended by section 70201(e)(1)(A), is amended by inserting ''and a separate accounting of any amount of qualified overtime compensation (as defined in section 225(c))'' after ''occupation of the person receiving such tips''.

(B) STATEMENT FURNISHED TO PAYEE.—Section 6041(d), as amended by section 70201(e)(1)(B), is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by inserting after paragraph (3) the following new paragraph:

''(4) the portion of payments that are qualified overtime compensation (as defined in section 225(c)).''.

(d) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2), as amended by the preceding provisions of this Act, is amended by striking ''and'' at the end of subparagraph (X), by striking the period at the end of subparagraph (Y) and inserting '', and'', and by inserting after subparagraph (Y) the following new subparagraph:

''(Z) an omission of a correct social security number required under section 225(d) (relating to deduction for qualified overtime).''.

(e) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by redesignating the item relating to section 225 as an item relating to section 226 and by inserting after the item relating to section 224 the following new item:

''Sec. 225. Qualified overtime compensation.''.

(f) WITHHOLDING.—The Secretary of the Treasury (or the Secretary's delegate) shall modify the procedures prescribed under section 3402(a) of the Internal Revenue Code of 1986 for taxable years beginning after December 31, 2025, to take into account the deduction allowed under section 225 of such Code (as added by this Act).

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

(h) TRANSITION RULE.—In the case of qualified overtime compensation required to be reported for periods before January 1, 2026, persons required to file returns or statements under section 6051(a)(19), 6041(a), or 6041(d)(4) of the Internal Revenue Code of 1986 (as amended by this section) may approximate a separate accounting of amounts designated as qualified overtime compensation by any reasonable method specified by the Secretary.

SEC. 70203. NO TAX ON CAR LOAN INTEREST.

(a) IN GENERAL.—Section 163(h) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) SPECIAL RULES FOR TAXABLE YEARS 2025 THROUGH 2028 RELATING TO QUALIFIED PASSENGER VEHICLE LOAN INTEREST.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2024, and before January 1, 2029, for purposes of this subsection the term 'personal interest' shall not include qualified passenger vehicle loan interest.

''(B) QUALIFIED PASSENGER VEHICLE LOAN INTEREST DEFINED.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'qualified passenger vehicle loan interest' means any interest which is paid or accrued during the taxable year on indebtedness incurred by the taxpayer after December 31, 2024, for the purchase of, and that is secured by a first lien on, an applicable passenger vehicle for personal use.

''(ii) EXCEPTIONS.—Such term shall not include any amount paid or incurred on any of the following:

''(I) A loan to finance fleet sales.

''(II) A loan incurred for the purchase of a commercial vehicle that is not used for personal purposes.

''(III) Any lease financing.

''(IV) A loan to finance the purchase of a vehicle with a salvage title.

''(V) A loan to finance the purchase of a vehicle intended to be used for scrap or parts.

''(iii) VIN REQUIREMENT.—Interest shall not be treated as qualified passenger vehicle loan interest under this paragraph unless the taxpayer includes the vehicle identification number of the applicable passenger vehicle described in clause (i) on the return of tax for the taxable year.

''(C) LIMITATIONS.—

''(i) DOLLAR LIMIT.—The amount of interest taken into account by a taxpayer under subparagraph (B) for any taxable year shall not exceed $10,000.

''(ii) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(I) IN GENERAL.—The amount which is otherwise allowable as a deduction under subsection (a) as qualified passenger vehicle loan interest (determined without regard to this clause and after the application of clause (i)) shall be reduced (but not below zero) by $200 for each $1,000 (or portion thereof) by which the modified adjusted gross income of the taxpayer for the taxable year exceeds $100,000 ($200,000 in the case of a joint return).

''(II) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this clause, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

''(D) APPLICABLE PASSENGER VEHICLE.—The term 'applicable passenger vehicle' means any vehicle—

''(i) the original use of which commences with the taxpayer,

''(ii) which is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails),

''(iii) which has at least 2 wheels,

''(iv) which is a car, minivan, van, sport utility vehicle, pickup truck, or motorcycle,

''(v) which is treated as a motor vehicle for purposes of title II of the Clean Air Act, and

''(vi) which has a gross vehicle weight rating of less than 14,000 pounds.

Such term shall not include any vehicle the final assembly of which did not occur within the United States.

''(E) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) FINAL ASSEMBLY.—For purposes of subparagraph (D), the term 'final assembly' means the process by which a manufacturer produces a vehicle at, or through the use of, a plant, factory, or other place from which the vehicle is delivered to a dealer with all component parts necessary for the mechanical operation of the vehicle included with the vehicle, whether or not the component parts are permanently installed in or on the vehicle.

''(ii) TREATMENT OF REFINANCING.—Indebtedness described in subparagraph (B) shall include indebtedness that results from refinancing any indebtedness described in such subparagraph, and that is secured by a first lien on the applicable passenger vehicle with respect to which the refinanced indebtedness was incurred, but only to the extent the amount of such resulting indebtedness does not exceed the amount of such refinanced indebtedness.

''(iii) RELATED PARTIES.—Indebtedness described in subparagraph (B) shall not include any indebtedness owed to a person who is related (within the meaning of section 267(b) or 707(b)(1)) to the taxpayer.''.

(b) DEDUCTION ALLOWED TO NONITEMIZERS.—Section 63(b), as amended by the preceding provisions of this Act, is amended by striking ''and'' at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting ''and'', and by adding at the end the following new paragraph:

''(7) so much of the deduction allowed by section 163(a) as is attributable to the exception under section 163(h)(4)(A).''.

(c) REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end the following new section:

''SEC. 6050AA. RETURNS RELATING TO APPLICABLE PASSENGER VEHICLE LOAN INTEREST RECEIVED IN TRADE OR BUSINESS FROM INDIVIDUALS.

''(a) IN GENERAL.—Any person—

''(1) who is engaged in a trade or business, and

''(2) who, in the course of such trade or business, receives from any individual interest aggregating $600 or more for any calendar year on a specified passenger vehicle loan,

shall make the return described in subsection (b) with respect to each individual from whom such interest was received at such time as the Secretary may provide.

''(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

''(1) is in such form as the Secretary may prescribe, and

''(2) contains—

''(A) the name and address of the individual from whom the interest described in subsection (a)(2) was received,

''(B) the amount of such interest received for the calendar year,

''(C) the amount of outstanding principal on the specified passenger vehicle loan as of the beginning of such calendar year,

''(D) the date of the origination of such loan,

''(E) the year, make, model, and vehicle identification number of the applicable passenger vehicle which secures such loan (or such other description of such vehicle as the Secretary may prescribe), and

''(F) such other information as the Secretary may prescribe.

''(c) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

''(1) the name, address, and phone number of the information contact of the person required to make such return, and

''(2) the information described in subparagraphs (B), (C), (D), and (E) of subsection (b)(2) with respect to such individual (and such information as is described in subsection (b)(2)(F) with respect to such individual as the Secretary may provide for purposes of this subsection).

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

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

''(1) IN GENERAL.—Terms used in this section which are also used in paragraph (4) of section 163(h) shall have the same meaning as when used in such paragraph.

''(2) SPECIFIED PASSENGER VEHICLE LOAN.—The term 'specified passenger vehicle loan' means the indebtedness described in section 163(h)(4)(B) with respect to any applicable passenger vehicle.

''(e) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations or other guidance to prevent the duplicate reporting of information under this section.

''(f) APPLICABILITY.—No return shall be required under this section for any period to which section 163(h)(4) does not apply.''.

(2) PENALTIES.—Section 6724(d) is amended—

(A) in paragraph (1)(B), by striking ''or'' at the end of clause (xxvii), by striking ''and'' at the end of clause (xxviii) and inserting ''or'', and by adding at the end the following new clause:

''(xxix) section 6050AA(a) (relating to returns relating to applicable passenger vehicle loan interest received in trade or business from individuals),'', and

(B) in paragraph (2), by striking ''or'' at the end of subparagraph (KK), by striking the period at the end of subparagraph (LL) and inserting '', or'', and by inserting after subparagraph (LL) the following new subparagraph:

''(MM) section 6050AA(c) (relating to statements relating to applicable passenger vehicle loan interest received in trade or business from individuals).''.

(d) CONFORMING AMENDMENTS.—

(1) Section 56(e)(1)(B) is amended by striking ''section 163(h)(4)'' and inserting ''section 163(h)(5)''.

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by adding at the end the following new item:

''Sec. 6050AA. Returns relating to applicable passenger vehicle loan interest received in trade or business from individuals.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to indebtedness incurred after December 31, 2024.

SEC. 70204. TRUMP ACCOUNTS AND CONTRIBUTION PILOT PROGRAM.

(a) TRUMP ACCOUNTS.—

(1) IN GENERAL.—Subchapter F of chapter 1 is amended by adding at the end the following new part:

''PART IX—TRUMP ACCOUNTS

''Sec. 530A. Trump accounts.

''SEC. 530A. TRUMP ACCOUNTS.

''(a) GENERAL RULE.—Except as provided in this section or under regulations or guidance established by the Secretary, a Trump account shall be treated for purposes of this title in the same manner as an individual retirement account under section 408(a).

''(b) TRUMP ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'Trump account' means an individual retirement account (as defined in section 408(a)) which is not designated as a Roth IRA and which meets the following requirements:

''(A) The account—

''(i) is created or organized by the Secretary for the exclusive benefit of an eligible individual or such eligible individual's beneficiaries, or

''(ii) is—

''(I) created or organized in the United States for the exclusive benefit of an individual who has not attained the age of 18 before the end of the calendar year, or such individual's beneficiaries, and

''(II) funded by a qualified rollover contribution.

''(B) The account is designated (in such manner as the Secretary shall prescribe) at the time of the establishment of the account as a Trump account.

''(C) The written governing instrument creating the account meets the following requirements:

''(i) No contribution will be accepted—

''(I) before the date that is 12 months after the date of the enactment of this section, or

''(II) in the case of a contribution made in any calendar year before the calendar year in which the account beneficiary attains age 18, if such contribution would result in aggregate contributions (other than exempt contributions) for such calendar year in excess of the contribution limit specified in subsection (c)(2)(A).

''(ii) Except as provided in subsection (d), no distribution will be allowed before the first day of the calendar year in which the account beneficiary attains age 18.

''(iii) No part of the account funds will be invested in any asset other than an eligible investment during any period before the first day of the calendar year in which the account beneficiary attains age 18.

''(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means any individual—

''(A) who has not attained the age of 18 before the close of the calendar year in which the election under subparagraph (C) is made,

''(B) for whom a social security number (within the meaning of section 24(h)(7)) has been issued before the date on which an election under subsection (C) is made, and

''(C) for whom—

''(i) an election is made under this subparagraph by the Secretary if the Secretary determines (based on information available to the Secretary from tax returns or otherwise) that such individual meets the requirements of subparagraphs (A) and (B) and no prior election has been made for such individual under clause (ii), or

''(ii) an election is made under this subparagraph by a person other than the Secretary (at such time and in such manner as the Secretary may prescribe) for the establishment of a Trump account if no prior election has been made for such individual under clause (i).

''(3) ELIGIBLE INVESTMENT.—

''(A) IN GENERAL.—The term 'eligible investment' means any mutual fund or exchange traded fund which—

''(i) tracks the returns of a qualified index,

''(ii) does not use leverage,

''(iii) does not have annual fees and expenses of more than 0.1 percent of the balance of the investment in the fund, and

''(iv) meets such other criteria as the Secretary determines appropriate for purposes of this section.

''(B) QUALIFIED INDEX.—The term 'qualified index' means—

''(i) the Standard and Poor's 500 stock market index, or

''(ii) any other index—

''(I) which is comprised of equity investments in primarily United States companies, and

''(II) for which regulated futures contracts (as defined in section 1256(g)(1)) are traded on a qualified board or exchange (as defined in section 1256(g)(7)).

Such term shall not include any industry or sector-specific index, but may include an index based on market capitalization.

''(4) ACCOUNT BENEFICIARY.—The term 'account beneficiary' means the individual on whose behalf the Trump account was established.

''(c) TREATMENT OF CONTRIBUTIONS.—

''(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for any contribution which is made before the first day of the calendar year in which the account beneficiary attains age 18.

''(2) CONTRIBUTION LIMIT.—In the case of any contribution made before the calendar year in which the account beneficiary attains age 18—

''(A) IN GENERAL.—The aggregate amount of contributions (other than exempt contributions) for such calendar year shall not exceed $5,000.

''(B) EXEMPT CONTRIBUTION.—For purposes of this paragraph, the term 'exempt contribution' means—

''(i) a qualified rollover contribution,

''(ii) any qualified general contribution, or

''(iii) any contribution provided under section 6434.

''(C) COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—In the case of any taxable year after 2027, the $5,000 amount under subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2026' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(ii) ROUNDING.—If any increase under this subparagraph is not a multiple of $100, such amount shall be rounded to the next lowest multiple of $100.

''(3) TIMING OF CONTRIBUTIONS.—Section 219(f)(3) shall not apply to any contribution made to a Trump account for any taxable year ending before the calendar year in which the account beneficiary attains age 18.

''(d) DISTRIBUTIONS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, no distribution shall be allowed before the first day of the calendar year in which the account beneficiary attains age 18.

''(2) TAX TREATMENT OF ALLOWABLE DISTRIBUTIONS.—For purposes of applying section 72 to any amount distributed from a Trump account, the investment in the contract shall not include—

''(A) any qualified general contribution,

''(B) any contribution provided under section 6434, and

''(C) the amount of any contribution which is excluded from gross income under section 128.

''(3) QUALIFIED ROLLOVER CONTRIBUTIONS.—Paragraph (1) shall not apply to any distribution which is a qualified rollover contribution and the amount of such distribution shall not be included in the gross income of the beneficiary.

''(4) QUALIFIED ABLE ROLLOVER CONTRIBUTIONS.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to any distribution which is a qualified ABLE rollover contribution and the amount of such distribution shall not be included in the gross income of the beneficiary.

''(B) QUALIFIED ABLE ROLLOVER CONTRIBUTION.—For purposes of this section, the term 'qualified ABLE rollover contribution' means an amount which is paid during the calendar year in which the account beneficiary attains age 17 in a direct trustee-to-trustee transfer from a Trump account maintained for the benefit of the account beneficiary to an ABLE account (as defined in section 529A(e)(6)) for the benefit of the such account beneficiary, but only if the amount of such payment is equal to the entire balance of the Trump account from which the payment is made.

''(5) DISTRIBUTIONS OF EXCESS CONTRIBUTIONS.—In the case of any contribution which is made before the calendar year in which the account beneficiary attains age 18 and which is in excess of the limitation in effect under subsection (c)(2)(A) for the calendar year—

''(A) paragraph (1) shall not apply to the distribution of such excess,

''(B) the amount of such distribution shall not be included in gross income of the account beneficiary, and

''(C) the tax imposed by this chapter on the distributee for the taxable year in which the distribution is made shall be increased by 100 percent of the amount of net income attributable to such excess (determined without regard to subparagraph (B)).

''(6) TREATMENT OF DEATH OF ACCOUNT BENEFICIARY.—If, by reason of the death of the account beneficiary before the first day of the calendar year in which the account beneficiary attains age 18, any person acquires the account beneficiary's interest in the Trump account—

''(A) paragraph (1) shall not apply,

''(B) such account shall cease to be a Trump account as of the date of death, and

''(C) an amount equal to the fair market value of the assets (reduced by the investment in the contract) in such account on such date shall—

''(i) if such person is not the estate of such beneficiary, be includible in such person's gross income for the taxable year which includes such date, or

''(ii) if such person is the estate of such beneficiary, be includible in such beneficiary's gross income for the last taxable year of such beneficiary.

''(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section, the term 'qualified rollover contribution' means an amount which is paid in a direct trustee-to-trustee transfer from a Trump account maintained for the benefit of the account beneficiary to a Trump account maintained for such beneficiary, but only if the amount of such payment is equal to the entire balance of the Trump account from which the payment is made.

''(f) QUALIFIED GENERAL CONTRIBUTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified general contribution' means any contribution which—

''(A) is made by the Secretary pursuant to a general funding contribution,

''(B) is made to the Trump account of an account beneficiary in the qualified class of account beneficiaries specified in the general funding contribution, and

''(C) is in an amount which is equal to the ratio of—

''(i) the amount of such general funding contribution, to

''(ii) the number of account beneficiaries in such qualified class.

''(2) GENERAL FUNDING CONTRIBUTION.—The term 'general funding contribution' means a contribution which—

''(A) is made by—

''(i) an entity described in section 170(c)(1) (other than a possession of the United States or a political subdivision thereof) or an Indian tribal government, or

''(ii) an organization described in section 501(c)(3) and exempt from tax under section 501(a), and

''(B) which specifies a qualified class of account beneficiaries to whom such contribution is to be distributed.

''(3) QUALIFIED CLASS.—

''(A) IN GENERAL.—The term 'qualified class' means any of the following:

''(i) All account beneficiaries who have not attained the age of 18 before the close of the calendar year in which the contribution is made.

''(ii) All account beneficiaries who have not attained the age of 18 before the close of the calendar year in which the contribution is made and who reside in one or more States or other qualified geographic areas specified by the terms of the general funding contribution.

''(iii) All account beneficiaries who have not attained the age of 18 before the close of the calendar year in which the contribution is made and who were born in one or more calendar years specified by the terms of the general funding contribution.

''(B) QUALIFIED GEOGRAPHIC AREA.—The term 'qualified geographic area' means any geographic area in which not less than 5,000 account beneficiaries reside and which is designated by the Secretary as a qualified geographic area under this subparagraph.

''(g) TRUSTEE SELECTION.—In the case of any Trump account created or organized by the Secretary, the Secretary shall take into account the following criteria in selecting the trustee:

''(1) The history of reliability and regulatory compliance of the trustee.

''(2) The customer service experience of the trustee.

''(3) The costs imposed by the trustee on the account or the account beneficiary.

''(h) OTHER SPECIAL RULES AND COORDINATION WITH INDIVIDUAL RETIREMENT ACCOUNT RULES.—

''(1) IN GENERAL.—The rules of subsections (k) and (p) of section 408 shall not apply to a Trump account, and the rules of subsections (d) and (i) of section 408 shall not apply to a Trump account for any taxable year beginning before the calendar year in which the account beneficiary attains age 18.

''(2) CUSTODIAL ACCOUNTS.—In the case of a Trump account, section 408(h) shall be applied by substituting 'a Trump account described in section 530A(b)(1)' for 'an individual retirement account described in subsection (a)'.

''(3) CONTRIBUTIONS.—In the case of any taxable year beginning before the first day of the calendar year in which the account beneficiary attains age 18, a contribution to a Trump account shall not be taken into account in applying any contribution limit to any individual retirement plan other than a Trump account.

''(4) DISTRIBUTIONS.—Section 408(d)(2) shall be applied separately with respect to Trump Accounts and other individual retirement plans.

''(5) EXCESS CONTRIBUTIONS.—For purposes of applying section 4973(b) to a Trump account for any taxable year beginning before the first day of the calendar year in which the account beneficiary attains age 18, the term 'excess contributions' means the sum of—

''(A) the amount by which the amount contributed to the account for the calendar year in which taxable year begins exceeds the amount permitted to be contributed to the account under subsection (c)(2), and

''(B) the amount determined under this paragraph for the preceding taxable year.

For purposes of this paragraph, the excess contributions for a taxable year are reduced by the distributions to which subsection (d)(5) applies that are made during the taxable year or by the date prescribed by law (including extensions of time) for filing the account beneficiary's return for the taxable year.

''(i) REPORTS.—

''(1) IN GENERAL.—The trustee of a Trump account shall make such reports regarding such account to the Secretary and to the beneficiary of the account at such time and in such manner as may be required by the Secretary. Such reports shall include information with respect to—

''(A) contributions (including the amount and source of any contribution in excess of $25 made from a person other than the Secretary, the account beneficiary, or the parent or legal guardian of the account beneficiary),

''(B) distributions (including distributions which are qualified rollover contributions),

''(C) the fair market value of the account,

''(D) the investment in the contract with respect to such account, and

''(E) such other matters as the Secretary may require.

''(2) QUALIFIED ROLLOVER CONTRIBUTIONS.—Not later than 30 days after the date of any qualified rollover contribution, the trustee of the Trump account to which the contribution was made shall make a report to the Secretary. Such report shall include—

''(A) the name, address, and social security number of the account beneficiary,

''(B) the name and address of such trustee,

''(C) the account number,

''(D) the routing number of the trustee, and

''(E) such other information as the Secretary may require.

''(3) PERIOD OF REPORTING.—This subsection shall not apply to any period after the calendar year in which the beneficiary attains age 17.''.

(2) QUALIFIED ABLE ROLLOVER CONTRIBUTIONS EXEMPT FROM ABLE CONTRIBUTION LIMITATION.—

(A) IN GENERAL.—Section 529A(b)(2)(B) is amended by inserting ''or received in a qualified ABLE rollover contribution described in section 530A(d)(4)(B)'' after ''except as provided in the case of contributions under subsection (c)(1)(C)''.

(B) PROHIBITION ON EXCESS CONTRIBUTIONS.—The second sentence of section 529A(b)(6) is amended by inserting ''but do not include any contributions received in a qualified ABLE rollover contribution described in section 530A(d)(4)(B)'' before the period at the end.

(C) CONFORMING AMENDMENT.—Section 4973(h)(1) is amended by inserting ''or contributions received in a qualified ABLE rollover contribution described in section 530A(d)(4)(B)'' after ''other than contributions under section 529A(c)(1)(C)''.

(3) FAILURE TO PROVIDE REPORTS ON TRUMP ACCOUNTS.—Section 6693(a)(2) is amended by striking ''and'' at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting '', and'', and by inserting after subparagraph (F) the following new subparagraph:

''(G) section 530A(i) (relating to Trump accounts).''.

(4) CLERICAL AMENDMENT.—

(A) The table of parts for subchapter F of chapter 1 is amended by adding at the end the following new item:

''PART IX—TRUMP ACCOUNTS''.

(b) EMPLOYER CONTRIBUTIONS.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting after section 127 the following new section:

''SEC. 128. EMPLOYER CONTRIBUTIONS TO TRUMP ACCOUNTS.

''(a) IN GENERAL.—Gross income of an employee does not include amounts paid by the employer as a contribution to the Trump account of such employee or of any dependent of such employee if the amounts are paid or incurred pursuant to a program which is described in subsection (c).

''(b) LIMITATION.—

''(1) IN GENERAL.—The amount which may be excluded under subsection (a) with respect to any employee shall not exceed $2,500.

''(2) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2027, the $2,500 amount in paragraph (1) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins by substituting 'calendar year 2026' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(B) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $100, such increase shall be rounded to the next lowest multiple of $100.

''(c) TRUMP ACCOUNT CONTRIBUTION PROGRAM.—For purposes of this section, a Trump account contribution program is a separate written plan of an employer for the exclusive benefit of his employees to provide contributions to the Trump accounts of such employees or dependents of such employees which meets requirements similar to the requirements of paragraphs (2), (3), (6), (7), and (8) of section 129(d).''.

(2) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 127 the following new item:

''Sec. 128. Employer contributions to Trump accounts.''.

(c) CERTAIN CONTRIBUTIONS EXCLUDED FROM GROSS INCOME.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting before section 140 the following new section:

''SEC. 139J. CERTAIN CONTRIBUTIONS TO TRUMP ACCOUNTS.

''(a) IN GENERAL.—Gross income of an account beneficiary shall not include any qualified general contribution to a Trump account of the account beneficiary.

''(b) DEFINITIONS.—Any term used in this section which is used in section 530A shall have the meaning given such term under section 530A.''.

(2) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139J. Certain contributions to Trump accounts.''.

(d) TRUMP ACCOUNTS CONTRIBUTION PILOT PROGRAM.—

(1) IN GENERAL.—Subchapter B of chapter 65 is amended by adding at the end the following new section:

''SEC. 6434. TRUMP ACCOUNTS CONTRIBUTION PILOT PROGRAM.

''(a) IN GENERAL.—In the case of an individual who makes an election under this section with respect to an eligible child of the individual, such eligible child shall be treated as making a payment against the tax imposed by subtitle A (for the taxable year for which the election was made) in an amount equal to $1,000.

''(b) REFUND OF PAYMENT.—The amount treated as a payment under subsection (a) shall be paid by the Secretary to the Trump account with respect to which such eligible child is the account beneficiary.

''(c) ELIGIBLE CHILD.—For purposes of this section, the term 'eligible child ' means a qualifying child (as defined in section 152(c))—

''(1) who is born after December 31, 2024, and before January 1, 2029,

''(2) with respect to whom no prior election has been made under this section by such individual or any other individual, and

''(3) who is a United States citizen.

''(d) ELECTION.—An election under this section shall be made at such time and in such manner as the Secretary shall provide.

''(e) SOCIAL SECURITY NUMBER REQUIRED.—

''(1) IN GENERAL.—This section shall not apply to any taxpayer unless such individual includes with the election made under this section the social security number of the eligible child with respect to whom the election is made.

''(2) SOCIAL SECURITY NUMBER DEFINED.—For purposes of paragraph (1), the term 'social security number' shall have the meaning given such term in section 24(h)(7), determined by substituting 'before the date of the election made under section 6434' for 'before the due date of such return' in subparagraph (B) thereof.

''(f) EXCEPTION FROM REDUCTION OR OFFSET.—Any payment made to any individual under this section shall not be—

''(1) subject to reduction or offset pursuant to subsection (c), (d), (e), or (f) of section 6402 or any similar authority permitting offset, or

''(2) reduced or offset by other assessed Federal taxes that would otherwise be subject to levy or collection.

''(g) SPECIAL RULE REGARDING INTEREST.—The period determined under section 6611(a) with respect to any payment under this section shall not begin before January 1, 2028.

''(h) MIRROR CODE POSSESSIONS.—In the case of any possession of the United States with a mirror code tax system (as defined in section 24(k)), this section shall not be treated as part of the income tax laws of the United States for purposes of determining

the income tax law of such possession unless such possession elects to have this section be so treated.

''(i) DEFINITIONS.—For purposes of this section, the terms 'Trump account' and 'account beneficiary' have the meaning given such terms in section 530A(b).''.

(2) PENALTY FOR NEGLIGENT CLAIM OR FRAUDULENT CLAIM.—Part I of subchapter A of chapter 68 is amended by adding at the end the following new section:

''SEC. 6659. IMPROPER CLAIM FOR TRUMP ACCOUNT CONTRIBUTION PILOT PROGRAM CREDIT.

''(a) IN GENERAL.—In the case of any individual who makes an election under section 6434 with respect to an individual who is not an eligible child of the taxpayer—

''(1) if such election was made due to negligence or disregard of the rules or regulations, there shall be imposed a penalty of $500, or

''(2) if such election was made due to fraud, there shall be imposed a penalty of $1,000.

''(b) DEFINITIONS.—

''(1) ELIGIBLE CHILD.—The term 'eligible child' has the meaning given such term under section 6434.

''(2) NEGLIGENCE; DISREGARD.—The terms 'negligence' and 'disregard' have the same meaning as when such terms are used in section 6662.''.

(3) OMISSION OF CORRECT SOCIAL SECURITY NUMBER TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2), as amended by the preceding provisions of this Act, is amended by striking ''and'' at the end of subparagraph (Y), by striking the period at the end of subparagraph (Z) and inserting '', and'', and by inserting after subparagraph (Z) the following new subparagraph:

''(AA) an omission of a correct social security number required under section 6434(e)(1) (relating to the Trump accounts contribution pilot program).''.

(4) CONFORMING AMENDMENTS.—

(A) The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:

''Sec. 6434. Trump accounts contribution pilot program.''.

(B) The table of sections for part I of subchapter A of chapter 68 is amended by inserting after the item relating to section 6658 the following new item:

''Sec. 6659. Improper claim for Trump account contribution pilot program credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

(f) FUNDING.—In addition to amounts otherwise available, there is appropriated to the Department of the Treasury, out of any money in the Treasury not otherwise appropriated, $410,000,000, to remain available until September 30, 2034, to carry out the amendments made by this section.

CHAPTER 3—ESTABLISHING CERTAINTY AND COMPETITIVENESS FOR AMERICAN JOB CREATORS

Subchapter A—Permanent U.S. Business Tax Reform and Boosting Domestic Investment

SEC. 70301. FULL EXPENSING FOR CERTAIN BUSINESS PROPERTY.

(a) MADE PERMANENT.—

(1) IN GENERAL.—Section 168(k)(2)(A) is amended by adding ''and'' at the end of clause (i), by striking '', and'' at the end of clause (ii) and inserting a period, and by striking clause (iii).

(2) PROPERTY WITH LONGER PRODUCTION PERIODS.—Section 168(k)(2)(B) is amended—

(A) in clause (i), by striking subclauses (II) and (III) and redesignating subclauses (IV), (V), and (VI), as subclauses (II), (III), and (IV), respectively, and

(B) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(3) SELF-CONSTRUCTED PROPERTY.—Section 168(k)(2)(E) is amended by striking clause (i) and redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively.

(4) CERTAIN PLANTS.—Section 168(k)(5)(A) is amended by striking ''planted before January 1, 2027, or is grafted before such date to a plant that has already been planted,'' in the matter preceding clause (i) and inserting ''planted or grafted''.

(5) CONFORMING AMENDMENTS.—

(A) Section 168(k)(2)(A)(ii) is amended by striking ''clause (ii) of subparagraph (E)'' and inserting ''clause (i) of subparagraph (E)''.

(B) Section 168(k)(2)(C)(i) is amended by striking ''and subclauses (II) and (III) of subparagraph (B)(i)''.

(C) Section 168(k)(2)(C)(ii) is amended by striking ''subparagraph (B)(iii)'' and inserting ''subparagraph (B)(ii)''.

(D) Section 460(c)(6)(B) is amended by striking ''which'' and all that follows through the period and inserting ''which has a recovery period of 7 years or less.''.

(b) 100 PERCENT EXPENSING.—

(1) IN GENERAL.—Section 168(k) is amended—

(A) in paragraph (1)(A), by striking ''the applicable percentage'' and inserting ''100 percent'', and

(B) by striking paragraphs (6) and (8).

(2) CERTAIN PLANTS.—Section 168(k)(5)(A)(i) is amended by striking ''the applicable percentage'' and inserting ''100 percent''.

(3) TRANSITIONAL ELECTION OF REDUCED PERCENTAGE.—Section 168(k)(10) is amended by striking subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting before subparagraph (C) (as so redesignated) the following new subparagraphs:

''(A) IN GENERAL.—In the case of qualified property placed in service by the taxpayer during the first taxable year ending after January 19, 2025, if the taxpayer elects to have this paragraph apply for such taxable year, paragraph (1)(A) shall be applied—

''(i) in the case of property which is not described in clause (ii), by substituting '40 percent' for '100 percent', or

''(ii) in the case of property which is described in subparagraph (B) or (C) of paragraph (2), by substituting '60 percent' for '100 percent'.

''(B) SPECIFIED PLANTS.—In the case of any specified plant planted or grafted by the taxpayer during the first taxable year ending after January 19, 2025, if the taxpayer elects to have this paragraph apply for such taxable year, paragraph (5)(A)(i) shall be applied by substituting '40 percent' for '100 percent'.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property acquired after January 19, 2025.

(2) SPECIFIED PLANTS.—Except as provided in paragraph (3), in the case of any specified plant (as defined in section 168(k)(5)(B) of the Internal Revenue Code of 1986, as amended by this section), the amendments made by this section shall apply to such plants which are planted or grafted after January 19, 2025.

(3) TRANSITIONAL ELECTION OF REDUCED PERCENTAGE.—The amendment made by subsection (b)(3) shall apply to taxable years ending after January 19, 2025.

(4) ACQUISITION DATE DETERMINATION.—For purposes of paragraph (1), property shall not be treated as acquired after the date on which a written binding contract is entered into for such acquisition.

SEC. 70302. FULL EXPENSING OF DOMESTIC RESEARCH AND EXPERIMENTAL EXPENDITURES.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 174 the following new section:

''SEC. 174A. DOMESTIC RESEARCH OR EXPERIMENTAL EXPENDITURES.

''(a) TREATMENT AS EXPENSES.—Notwithstanding section 263, there shall be allowed as a deduction any domestic research or experimental expenditures which are paid or incurred by the taxpayer during the taxable year.

''(b) DOMESTIC RESEARCH OR EXPERIMENTAL EXPENDITURES.—For purposes of this section, the term 'domestic research or experimental expenditures' means research or experimental expenditures paid or incurred by the taxpayer in connection with the taxpayer's trade or business other than such expenditures which are attributable to foreign research (within the meaning of section 41(d)(4)(F)).

''(c) AMORTIZATION OF CERTAIN DOMESTIC RESEARCH OR EXPERIMENTAL EXPENDITURES.—

''(1) IN GENERAL.—At the election of the taxpayer, made in accordance with regulations or other guidance provided by the Secretary, in the case of domestic research or experimental expenditures which would (but for subsection (a)) be chargeable to capital account but not chargeable to property of a character which is subject to the allowance under section 167 (relating to allowance for depreciation, etc.) or section 611 (relating to allowance for depletion), subsection (a) shall not apply and the taxpayer shall—

''(A) charge such expenditures to capital account, and

''(B) be allowed an amortization deduction of such expenditures ratably over such period of not less than 60 months as may be selected by the taxpayer (beginning with the month in which the taxpayer first realizes benefits from such expenditures).

''(2) TIME FOR AND SCOPE OF ELECTION.—The election provided by paragraph (1) may be made for any taxable year, but only if made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof). The method so elected, and the period selected by the taxpayer, shall be adhered to in computing taxable income for the taxable year for which the election is made and for all subsequent taxable years unless, with the approval of the Secretary, a change to a different method (or to a different period) is authorized with respect to part or all of such expenditures. The election shall not apply to any expenditure paid or incurred during any taxable year before the taxable year for which the taxpayer makes the election.

''(d) SPECIAL RULES.—

''(1) LAND AND OTHER PROPERTY.—This section shall not apply to any expenditure for the acquisition or improvement of land, or for the acquisition or improvement of property to be used in connection with the research or experimentation and of a character which is subject to the allowance under section 167 (relating to allowance for depreciation, etc.) or section 611 (relating to allowance for depletion); but for purposes of this section allowances under section 167, and allowances under section 611, shall be considered as expenditures.

''(2) EXPLORATION EXPENDITURES.—This section shall not apply to any expenditure paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of ore or other mineral (including oil and gas).

''(3) SOFTWARE DEVELOPMENT.—For purposes of this section, any amount paid or incurred in connection with the development

of any software shall be treated as a research or experimental expenditure.''.

(b) COORDINATION WITH CERTAIN OTHER PROVISIONS.—

(1) FOREIGN RESEARCH EXPENSES.—Section 174 is amended—

(A) in subsection (a)—

(i) by striking ''a taxpayer's specified research or experimental expenditures'' and inserting ''a taxpayer's foreign research or experimental expenditures'', and

(ii) by striking ''over the 5-year period (15-year period in the case of any specified research or experimental expenditures which are attributable to foreign research (within the meaning of section 41(d)(4)(F)))'' in paragraph (2)(B) and inserting ''over the 15-year period'',

(B) in subsection (b)—

(i) by striking ''specified research'' and inserting ''foreign research'',

(ii) by inserting ''and which are attributable to foreign research (within the meaning of section 41(d)(4)(F))'' before the period at the end, and

(iii) by striking ''SPECIFIED'' in the heading thereof and inserting ''FOREIGN'', and

(C) in subsection (d)—

(i) by striking ''specified research or experimental expenditures'' and inserting ''foreign research or experimental expenditures'', and

(ii) by inserting ''or reduction to amount realized'' after ''no deduction''.

(2) RESEARCH CREDIT.—

(A) Section 41(d)(1)(A) is amended to read as follows:

''(A) with respect to which expenditures are treated as domestic research or experimental expenditures under section 174A,''.

(B) Section 280C(c)(1) is amended to read as follows:

''(1) IN GENERAL.—The domestic research or experimental expenditures (as defined in section 174A(b)) otherwise taken into account as a deduction or charged to capital account under this chapter shall be reduced by the amount of the credit allowed under section 41(a).''.

(3) AMT ADJUSTMENT.—Section 56(b)(2) is amended—

(A) in subparagraph (A)—

(i) by striking ''or 174(a)'' in the matter preceding clause (i) and inserting '', 174(a), or 174A(a)'', and

(ii) by striking ''research and experimental expenditures described in section 174(a)'' in clause (ii) thereof and inserting ''foreign research or experimental expenditures described in section 174(a) and domestic research or experimental expenditures in section 174A(a)'', and

(B) in subparagraph (C), by inserting ''or 174A(a)'' after ''174(a)''.

(4) OPTIONAL 10-YEAR WRITEOFF.—Section 59(e)(2)(B) is amended by striking ''section 174(a) (relating to research and experimental expenditures)'' and inserting ''section 174A(a) (relating to domestic research or experimental expenditures)''.

(5) QUALIFIED SMALL ISSUE BONDS.—Section 144(a)(4)(C)(iv) is amended by striking ''174(a)'' and inserting ''174A(a)''.

(6) START-UP EXPENDITURES.—Section 195(c)(1) is amended by striking ''or 174'' in the last sentence and inserting ''174, or 174A''.

(7) CAPITAL EXPENDITURES.—

(A) Section 263(a)(1)(B) is amended by inserting ''or 174A'' after ''174''.

(B) Section 263A(c)(2) is amended by inserting ''or 174A'' after ''174''.

(8) ACTIVE BUSINESS COMPUTER SOFTWARE ROYALTIES.—Section 543(d)(4)(A)(i) is amended by inserting ''174A,'' after ''174,''.

(9) SOURCE RULES.—Section 864(g)(2) is amended—

(A) by striking ''research and experimental expenditures within the meaning of section 174'' in the first sentence and inserting ''foreign research or experimental expenditures within the meaning of section 174 or domestic research or experimental expenditures within the meaning of section 174A'', and

(B) in the last sentence—

(i) by striking ''treated as deferred expenses under subsection (b) of section 174'' and inserting ''allowed as an amortization deduction under section 174(a) or section 174A(c),'', and

(ii) by striking ''such subsection'' and inserting ''such section (as the case may be)''.

(10) BASIS ADJUSTMENT.—Section 1016(a)(14) is amended by striking ''deductions as deferred expenses under section 174(b)(1) (relating to research and experimental expenditures)'' and inserting ''deductions under section 174 or 174A(c)''.

(11) SMALL BUSINESS STOCK.—Section 1202(e)(2)(B) is amended by striking ''which may be treated as research and experimental expenditures under section 174'' and inserting ''which are treated as foreign research or experimental expenditures under section 174 or domestic research or experimental expenditures under section 174A''.

(c) CHANGE IN METHOD OF ACCOUNTING.—

(1) IN GENERAL.—The amendments made by subsection (a) shall be treated as a change in method of accounting for purposes of section 481 of the Internal Revenue Code of 1986 and—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary, and

(C) such change shall be applied only on a cut-off basis for any domestic research or experimental expenditures (as defined in section 174A(b) of such Code (as added by this section) and determined by applying the rules of section 174A(d) of such Code) paid or incurred in taxable years beginning after December 31, 2024, and no adjustments under section 481(a) shall be made.

(2) SPECIAL RULES.—In the case of a taxable year which begins after December 31, 2024, and ends before the date of the enactment of this Act—

(A) paragraph (1)(C) shall not apply, and

(B) the change in method of accounting under paragraph (1) shall be applied on a modified cut-off basis, taking into account for purposes of section 481(a) of such Code only the domestic research or experimental expenditures (as defined in section 174A(b) of such Code (as added by this section) and determined by applying the rules of section 174A(d) of such Code) paid or incurred in such taxable year but not allowed as a deduction in such taxable year.

(d) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 174 the following new item:

''Sec. 174A. Domestic research or experimental expenditures.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection or subsection (f)(1), the amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2024.

(2) TREATMENT OF FOREIGN RESEARCH OR EXPERIMENTAL EXPENDITURES UPON DISPOSITION.—

(A) IN GENERAL.—The amendment by subsection (b)(1)(C)(ii) shall apply to property disposed, retired, or abandoned after May 12, 2025.

(B) NO INFERENCE.—The amendment made by subsection (b)(1)(C)(ii) shall not be construed to create any inference with respect to the proper application of section 174(d) of the Internal Revenue Code of 1986 with respect to taxable years beginning before May 13, 2025.

(3) COORDINATION WITH RESEARCH CREDIT.—The amendment made by subsection (b)(2)(B) shall apply to taxable years beginning after December 31, 2024.

(4) NO INFERENCE WITH RESPECT TO COORDINATION WITH RESEARCH CREDIT FOR PRIOR PERIODS.—The amendment made by subsection (b)(2)(B) shall not be construed to create any inference with respect to the proper application of section 280C(c) of the Internal Revenue Code of 1986 with respect to taxable years beginning before January 1, 2025.

(f) TRANSITION RULES.—

(1) ELECTION FOR RETROACTIVE APPLICATION BY CERTAIN SMALL BUSINESSES.—

(A) IN GENERAL.—At the election of an eligible taxpayer, paragraphs (1) and (3) of subsection (e) shall each be applied by substituting ''December 31, 2021'' for ''December 31, 2024''. An election made under this subparagraph shall be made in such manner as the Secretary may provide and not later than the date that is 1 year after the date of the enactment of this Act. The taxpayer shall file an amended return for each taxable year affected by such election.

(B) ELIGIBLE TAXPAYER.—For purposes of this paragraph, the term ''eligible taxpayer'' means any taxpayer (other than a tax shelter prohibited from using the cash receipts and disbursements method of accounting under section 448(a)(3)) which meets the gross receipts test of section 448(c) for the first taxable year beginning after December 31, 2024.

(C) ELECTION TREATED AS CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer which elects the application of subparagraph (A)—

(i) such election may be treated as a change in method of accounting for purposes of section 481 of such Code for the taxpayer's first taxable year affected by such election,

(ii) such change shall be treated as initiated by the taxpayer for such taxable year,

(iii) such change shall be treated as made with the consent of the Secretary, and

(iv) subsection (c) shall not apply to such taxpayer.

(D) ELECTION REGARDING COORDINATION WITH RESEARCH CREDIT.—An election under section 280C(c)(2) of the Internal Revenue Code of 1986 (or revocation of such election) for any taxable year beginning after December 31, 2021, by an eligible taxpayer making an election under subparagraph (A) shall not fail to be treated as timely made (or as made on the return) if made during the 1-year period beginning on the date of the enactment of this Act on an amended return for such taxable year.

(2) ELECTION TO DEDUCT CERTAIN UNAMORTIZED AMOUNTS PAID OR INCURRED IN TAXABLE YEARS BEGINNING BEFORE JANUARY 1, 2025.—

(A) IN GENERAL.—In the case of any domestic research or experimental expenditures (as defined in section 174A, as added by subsection (a)) which are paid or incurred in taxable years beginning after December 31, 2021, and before January 1, 2025, and which was charged to capital account, a taxpayer may elect—

(i) to deduct any remaining unamortized amount with respect to such expenditures in the first taxable year beginning after December 31, 2024, or

(ii) to deduct such remaining unamortized amount with respect to such expenditures ratably over the 2-taxable year period beginning with the first taxable year beginning after December 31, 2024.

(B) CHANGE IN METHOD OF ACCOUNTING.—In the case of a taxpayer who makes an election under this paragraph—

(i) such taxpayer shall be treated as initiating a change in method of accounting for purposes of section 481 of the Internal Revenue Code of 1986 with respect to the expenditures to which the election applies,

(ii) such change shall be treated as made with the consent of the Secretary, and

(iii) such change shall be applied only on a cut-off basis for such expenditures and no adjustments under section 481(a) shall be made.

(C) REGULATIONS.—The Secretary of the Treasury (or the Secretary's delegate) shall publish such guidance or regulations as may be necessary to carry out the purposes of this paragraph, including regulations or guidance allowing for the deduction allowed under subparagraph (A) in the case of taxpayers with taxable years beginning after December 31, 2024, and ending before the date of the enactment of this Act.

SEC. 70303. MODIFICATION OF LIMITATION ON BUSINESS INTEREST.

(a) IN GENERAL.—Section 163(j)(8)(A)(v) is amended by striking ''in the case of taxable years beginning before January 1, 2022,''.

(b) FLOOR PLAN FINANCING APPLICABLE TO CERTAIN TRAILERS AND CAMPERS.—Section 163(j)(9)(C) is amended by adding at the end the following new flush sentence:

''Such term shall also include any trailer or camper which is designed to provide temporary living quarters for recreational, camping, or seasonal use and is designed to be towed by, or affixed to, a motor vehicle.''.

(c) EFFECTIVE DATE AND SPECIAL RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

(2) SPECIAL RULE FOR SHORT TAXABLE YEARS.—The Secretary of the Treasury (or the Secretary's delegate) may prescribe such rules as are necessary or appropriate to provide for the application of the amendments made by this section in the case of any taxable year of less than 12 months that begins after December 31, 2024, and ends before the date of the enactment of this Act.

SEC. 70304. EXTENSION AND ENHANCEMENT OF PAID FAMILY AND MEDICAL LEAVE CREDIT.

(a) IN GENERAL.—Section 45S is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—For purposes of section 38, in the case of an eligible employer, the paid family and medical leave credit is an amount equal to either of the following (as elected by such employer):

''(A) The applicable percentage of the amount of wages paid to qualifying employees with respect to any period in which such employees are on family and medical leave.

''(B) If such employer has an insurance policy with regards to the provision of paid family and medical leave which is in force during the taxable year, the applicable percentage of the total amount of premiums paid or incurred by such employer during such taxable year with respect to such insurance policy.'', and

(B) by adding at the end the following:

''(3) RATE OF PAYMENT DETERMINED WITHOUT REGARD TO WHETHER LEAVE IS TAKEN.—For purposes of determining the applicable percentage with respect to paragraph (1)(B), the rate of payment under the insurance policy shall be determined without regard to whether any qualifying employees were on family and medical leave during the taxable year.'',

(2) in subsection (b)(1), by striking ''credit allowed'' and inserting ''wages taken into account'',

(3) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

''(3) AGGREGATION RULE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), all persons which are treated as a single employer under subsections (b) and (c) of section 414 shall be treated as a single employer.

''(B) EXCEPTION.—

''(i) IN GENERAL.—Subparagraph (A) shall not apply to any person who establishes to the satisfaction of the Secretary that such person has a substantial and legitimate business reason for failing to provide a written policy described in paragraph (1) or (2).

''(ii) SUBSTANTIAL AND LEGITIMATE BUSINESS REASON.—For purposes of clause (i), the term 'substantial and legitimate business reason' shall not include the operation of a separate line of business, the rate of wages or category of jobs for employees (or any similar basis), or the application of State or local laws relating to family and medical leave, but may include the grouping of employees of a common law employer.

''(4) TREATMENT OF BENEFITS MANDATED OR PAID FOR BY STATE OR LOCAL GOVERNMENTS.—For purposes of this section, any leave which is paid by a State or local government or required by State or local law—

''(A) except as provided in subparagraph (B), shall be taken into account in determining the amount of paid family and medical leave provided by the employer, and

''(B) shall not be taken into account in determining the amount of the paid family and medical leave credit under subsection (a).'',

(4) in subsection (d)—

(A) in paragraph (1), by inserting ''(or, at the election of the employer, for not less than 6 months)'' after ''1 year or more'',

(B) in paragraph (2)—

(i) by inserting '', as determined on an annualized basis (pro-rata for part-time employees),'' after ''compensation'', and

(ii) by striking the period at the end and inserting '', and'', and

(C) by adding at the end the following:

''(3) is customarily employed for not less than 20 hours per week.'', and

(5) by striking subsection (i).

(b) NO DOUBLE BENEFIT.—Section 280C(a) is amended—

(1) by striking ''45S(a)'' and inserting ''45S(a)(1)(A)'', and

(2) by inserting after the first sentence the following: ''No deduction shall be allowed for that portion of the premiums paid or incurred for the taxable year which is equal to that portion of the paid family and medical leave credit which is determined for the taxable year under section 45S(a)(1)(B).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70305. EXCEPTIONS FROM LIMITATIONS ON DEDUCTION FOR BUSINESS MEALS.

(a) EXCEPTION TO DENIAL OF DEDUCTION FOR BUSINESS MEALS.—Section 274(o), as added by section 13304 of Public Law 115-97, is amended by striking ''No deduction'' and inserting ''Except in the case of an expense described in subsection (e)(8) or (n)(2)(C), no deduction''.

(b) MEALS PROVIDED ON CERTAIN FISHING BOATS AND AT CERTAIN FISH PROCESSING FACILITIES NOT SUBJECT TO 50 PERCENT LIMITATION.—Section 274(n)(2)(C) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of clause (iii) and by adding at the end the following new clause:

''(v) provided—

''(I) on a fishing vessel, fish processing vessel, or fish tender vessel (as such terms are defined in section 2101 of title 46, United States Code), or

''(II) at a facility for the processing of fish for commercial use or consumption which—

''(aa) is located in the United States north of 50 degrees north latitude, and

''(bb) is not located in a metropolitan statistical area (within the meaning of section 143(k)(2)(B)), or''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2025.

SEC. 70306. INCREASED DOLLAR LIMITATIONS FOR EXPENSING OF CERTAIN DEPRECIABLE BUSINESS ASSETS.

(a) IN GENERAL.—Section 179(b) is amended—

(1) in paragraph (1), by striking ''$1,000,000'' and inserting ''$2,500,000'', and

(2) in paragraph (2), by striking ''$2,500,000'' and inserting ''$4,000,000''.

(b) CONFORMING AMENDMENTS.—Section 179(b)(6)(A) is amended—

(1) by inserting ''(2025 in the case of the dollar amounts in paragraphs (1) and (2))'' after ''In the case of any taxable year beginning after 2018'', and

(2) in clause (ii), by striking ''determined by substituting 'calendar year 2017' for 'calendar year 2016' in subparagraph (A)(ii) thereof.'' and inserting ″determined by substituting in subparagraph (A)(ii) thereof— ''

''(I) in the case of amounts in paragraphs (1) and (2), 'calendar year 2024' for 'calendar year 2016', and

''(II) in the case of the amount in paragraph (5)(A), 'calendar year 2017' for 'calendar year 2016'.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service in taxable years beginning after December 31, 2024.

SEC. 70307. SPECIAL DEPRECIATION ALLOWANCE FOR QUALIFIED PRODUCTION PROPERTY.

(a) IN GENERAL.—Section 168 is amended by adding at the end the following new subsection:

''(n) SPECIAL ALLOWANCE FOR QUALIFIED PRODUCTION PROPERTY.—

''(1) IN GENERAL.—In the case of any qualified production property of a taxpayer making an election under this subsection—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 100 percent of the adjusted basis of the qualified production property, and

''(B) the adjusted basis of the qualified production property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED PRODUCTION PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified production property' means that portion of any nonresidential real property—

''(i) to which this section applies,

''(ii) which is used by the taxpayer as an integral part of a qualified production activity,

''(iii) which is placed in service in the United States or any possession of the United States,

''(iv) the original use of which commences with the taxpayer,

''(v) the construction of which begins after January 19, 2025, and before January 1, 2029,

''(vi) which is designated by the taxpayer in the election made under this subsection, and

''(vii) which is placed in service before January 1, 2031.

For purposes of clause (ii), in the case of property with respect to which the taxpayer is a lessor, property used by a lessee shall not be considered to be used by the taxpayer as part of a qualified production activity.

''(B) SPECIAL RULE FOR CERTAIN PROPERTY NOT PREVIOUSLY USED IN QUALIFIED PRODUCTION ACTIVITIES.—

''(i) IN GENERAL.—In the case of property acquired by the taxpayer during the period described in subparagraph (A)(v), the requirements of clauses (iv) and (v) of subparagraph (A) shall be treated as satisfied if—

''(I) such property was not used in a qualified production activity (determined without regard to the second sentence of subparagraph (D)) by any person at any time during the period beginning on January 1, 2021, and ending on May 12, 2025,

''(II) such property was not used by the taxpayer at any time prior to such acquisition, and

''(III) the acquisition of such property meets the requirements of paragraphs (2)(A), (2)(B), (2)(C), and (3) of section 179(d).

''(ii) WRITTEN BINDING CONTRACTS.—For purposes of determining under clause (i)—

''(I) whether such property is acquired before the period described in subparagraph (A)(v), such property shall be treated as acquired not later than the date on which the taxpayer enters into a written binding contract for such acquisition, and

''(II) whether such property is acquired after such period, such property shall be treated as acquired not earlier than such date.

''(C) EXCLUSION OF OFFICE SPACE, ETC.—The term 'qualified production property' shall not include that portion of any nonresidential real property which is used for offices, administrative services, lodging, parking, sales activities, research activities, software development or engineering activities, or other functions unrelated to the manufacturing, production, or refining of tangible personal property.

''(D) QUALIFIED PRODUCTION ACTIVITY.—The term 'qualified production activity' means the manufacturing, production, or refining of a qualified product. The activities of any taxpayer do not constitute manufacturing, production, or refining of a qualified product unless the activities of such taxpayer result in a substantial transformation of the property comprising the product.

''(E) PRODUCTION.—The term 'production' shall not include activities other than agricultural production and chemical production.

''(F) QUALIFIED PRODUCT.—The term 'qualified product' means any tangible personal property if such property is not a food or beverage prepared in the same building as a retail establishment in which such property is sold.

''(G) SYNDICATION.—For purposes of subparagraph (A)(iv), rules similar to the rules of subsection (k)(2)(E)(iii) shall apply.

''(H) EXTENSION OF PLACED IN SERVICE DATE UNDER CERTAIN CIRCUMSTANCES.—The Secretary may extend the date under subparagraph (A)(vii) with respect to any property that meets the requirements of clauses (i) through (vi) of subparagraph (A) if the Secretary determines that an act of God (as defined in section 101(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980) prevents the taxpayer from placing such property in service before such date.

''(3) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under section 167 for qualified production property shall be determined under this section without regard to any adjustment under section 56.

''(4) COORDINATION WITH CERTAIN OTHER PROVISIONS.—

''(A) OTHER SPECIAL DEPRECIATION ALLOWANCES.—For purposes of subsections (k)(7), (l)(3)(D), and (m)(2)(B)(iii)—

''(i) qualified production property shall be treated as a separate class of property, and

''(ii) the taxpayer shall be treated as having made an election under such subsections with respect to such class.

''(B) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified production property' shall not include any property to which the alternative depreciation system under subsection (g) applies. For purposes of subsection (g)(7)(A), qualified production property to which this subsection applies shall be treated as separate nonresidential real property.

''(5) RECAPTURE.—If, at any time during the 10-year period beginning on the date that any qualified production property is placed in service by the taxpayer, such property ceases to be used as described in paragraph (2)(A)(ii) and is used by the taxpayer in a productive use not described in paragraph (2)(A)(ii)—

''(A) section 1245 shall be applied—

''(i) by treating such property as having been disposed of by the taxpayer as of the first time such property is so used in a productive use not described in paragraph (2)(A)(ii), and

''(ii) by treating the amount described in subparagraph (B) of section 1245(a)(1) with respect to such disposition as being not less than the amount described in subparagraph (A) of such section, and

''(B) the basis of the taxpayer in such property, and the taxpayer's allowance for depreciation with respect to such property, shall be appropriately adjusted to take into account amounts recognized by reason of subparagraph (A).

''(6) ELECTION.—

''(A) IN GENERAL.—An election under this subsection for any taxable year shall—

''(i) specify the nonresidential real property subject to the election and the portion of such property designated under paragraph (2)(A)(vi), and

''(ii) except as otherwise provided by the Secretary, be made on the taxpayer's return of the tax imposed by this chapter for the taxable year.

Such election shall be made in such manner as the Secretary may prescribe by regulations or other guidance.

''(B) ELECTION.—Any election made under this subsection, and any specification contained in any such election, may not be revoked except with the consent of the Secretary (and the Secretary shall provide such consent only in extraordinary circumstances).

''(7) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance—

''(A) providing rules for regarding what constitutes substantial transformation of property which are consistent with guidance provided under section 954(d), and

''(B) providing for the application of paragraph (5) with respect to a change in use described in such paragraph by a transferee following a fully or partially tax free transfer of qualified production property.''.

(b) TREATMENT OF QUALIFIED PRODUCTION PROPERTY AS SECTION 1245 PROPERTY.—Section 1245(a)(3) is amended by striking ''or'' at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting '', or'', and by adding at the end the following new subparagraph:

''(G) any qualified production property (as defined in section 168(n)(2)).''.

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

SEC. 70308. ENHANCEMENT OF ADVANCED MANUFACTURING INVESTMENT CREDIT.

(a) IN GENERAL.—Section 48D(a) is amended by striking ''25 percent'' and inserting ''35 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2025.

SEC. 70309. SPACEPORTS ARE TREATED LIKE AIRPORTS UNDER EXEMPT FACILITY BOND RULES.

(a) IN GENERAL.—Section 142(a)(1) is amended to read as follows:

''(1) airports and spaceports,''.

(b) TREATMENT OF GROUND LEASES.—Section 142(b)(1) is amended by adding at the end the following new subparagraph:

''(C) SPECIAL RULE FOR SPACEPORT GROUND LEASES.—For purposes of subparagraph (A), spaceport property located on land leased by a governmental unit from the United States shall not fail to be treated as owned by a governmental unit if the requirements of this paragraph are met by the lease and any subleases of the property.''.

(c) DEFINITION OF SPACEPORT.—Section 142 is amended by adding at the end the following new subsection:

''(p) SPACEPORT.—

''(1) IN GENERAL.—For purposes of subsection (a)(1), the term 'spaceport' means any facility located at or in close proximity to a launch site or reentry site used for—

''(A) manufacturing, assembling, or repairing spacecraft, space cargo, other facilities described in this paragraph, or any component of the foregoing,

''(B) flight control operations,

''(C) providing launch services and reentry services, or

''(D) transferring crew, spaceflight participants, or space cargo to or from spacecraft.

''(2) ADDITIONAL TERMS.—For purposes of paragraph (1)—

''(A) SPACE CARGO.—The term 'space cargo' includes satellites, scientific experiments, other property transported into space, and any other type of payload, whether or not such property returns from space.

''(B) SPACECRAFT.—The term 'spacecraft' means a launch vehicle or a reentry vehicle.

''(C) OTHER TERMS.—The terms 'launch site', 'crew', 'space flight participant', 'launch services', 'launch vehicle', 'payload', 'reentry services', 'reentry site', a 'reentry vehicle' shall have the respective meanings given to such terms by section 50902 of title 51, United States Code (as in effect on the date of enactment of this subsection).

''(3) PUBLIC USE REQUIREMENT.—A facility shall not be required to be available for use by the general public to be treated as a spaceport for purposes of this section.

''(4) MANUFACTURING FACILITIES AND INDUSTRIAL PARKS ALLOWED.—With respect to spaceports, subsection (c)(2)(E) shall not apply to spaceport property described in paragraph (1)(A).''.

(d) EXCEPTION FROM FEDERALLY GUARANTEED BOND PROHIBITION.—Section 149(b)(3) is amended by adding at the end the following new subparagraph:

''(F) EXCEPTION FOR SPACEPORTS.—A bond shall not be treated as federally guaranteed merely because of the payment of rent, user fees, or other charges by the United States (or any agency or instrumentality thereof) in exchange for the use of the spaceport by the United States (or any agency or instrumentality thereof).''.

(e) CONFORMING AMENDMENT.—The heading for section 142(c) is amended by inserting ''SPACEPORTS,'' after ''AIRPORTS,''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

Subchapter B—Permanent America-first International Tax Reforms

PART I—FOREIGN TAX CREDIT

SEC. 70311. MODIFICATIONS RELATED TO FOREIGN TAX CREDIT LIMITATION.

(a) RULES FOR ALLOCATION OF CERTAIN DEDUCTIONS TO FOREIGN SOURCE NET CFC TESTED INCOME FOR PURPOSES OF FOREIGN TAX CREDIT LIMITATION.—Section 904(b) is amended by adding at the end the following new paragraph:

''(5) DEDUCTIONS TREATED AS ALLOCABLE TO FOREIGN SOURCE NET CFC TESTED INCOME.—Solely for purposes of the application of subsection (a) with respect to amounts described in subsection (d)(1)(A), the taxpayer's taxable income from sources without the United States shall be determined by allocating and apportioning—

''(A) any deduction allowed under section 250(a)(1)(B) (and any deduction allowed under section 164(a)(3) for taxes imposed on amounts described in section 250(a)(1)(B)) to such income,

''(B) no amount of interest expense or research and experimental expenditures to such income, and

''(C) any other deduction to such income only if such deduction is directly allocable to such income.

Any amount or deduction which would (but for subparagraphs (B) and (C)) have been allocated or apportioned to such income shall only be allocated or apportioned to income which is from sources within the United States.''.

(b) OTHER MODIFICATIONS.—

(1) Section 904(d)(2)(H)(i) is amended by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)(D)''.

(2) Section 904(d)(4)(C)(ii) is amended by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(C)''.

(3) Section 951A(f)(1)(A) is amended by striking ''904(h)(1)'' and inserting ''904(h)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70312. MODIFICATIONS TO DETERMINATION OF DEEMED PAID CREDIT FOR TAXES PROPERLY ATTRIBUTABLE TO TESTED INCOME.

(a) INCREASE IN DEEMED PAID CREDIT.—

(1) IN GENERAL.—Section 960(d)(1) is amended by striking ''80 percent'' and inserting ''90 percent''.

(2) GROSS UP FOR DEEMED PAID FOREIGN TAX CREDIT.—Section 78 is amended—

(A) by striking ''subsections (a), (b), and (d)'' and inserting ''subsections (a) and (d)'', and

(B) by striking ''80 percent'' and inserting ''90 percent''.

(b) DISALLOWANCE OF FOREIGN TAX CREDIT WITH RESPECT TO DISTRIBUTIONS OF PREVIOUSLY TAXED NET CFC TESTED INCOME.—Section 960(d) is amended by adding at the end the following new paragraph:

''(4) DISALLOWANCE OF FOREIGN TAX CREDIT WITH RESPECT TO DISTRIBUTIONS OF PREVIOUSLY TAXED NET CFC TESTED INCOME.—No credit shall be allowed under section 901 for 10 percent of any foreign income taxes paid or accrued (or deemed paid under subsection (b)(1)) with respect to any amount excluded from gross income under section 959(a) by reason of an inclusion in gross income under section 951A(a).''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2025.

(2) DISALLOWANCE.—The amendment made by subsection (b) shall apply to foreign income taxes paid or accrued (or deemed paid under section 960(b)(1) of the Internal Revenue Code of 1986) with respect to any amount excluded from gross income under section 959(a) of such Code by reason of an inclusion in gross income under section 951A(a) of such Code after June 28, 2025.

SEC. 70313. SOURCING CERTAIN INCOME FROM THE SALE OF INVENTORY PRODUCED IN THE UNITED STATES.

(a) IN GENERAL.—Section 904(b), as amended by section 70311, is amended by adding at the end the following new paragraph:

''(6) SOURCE RULES FOR CERTAIN INVENTORY PRODUCED IN THE UNITED STATES AND SOLD THROUGH FOREIGN BRANCHES.—For purposes of this section, if a United States person maintains an office or other fixed place of business in a foreign country (determined under rules similar to the rules of section 864(c)(5)), the portion of income which—

''(A) is from the sale or exchange outside the United States of inventory property (within the meaning of section 865(i)(1))—

''(i) which is produced in the United States,

''(ii) which is for use outside the United States, and

''(iii) to which the third sentence of section 863(b) applies, and

''(B) is attributable (determined under rules similar to the rules of section 864(c)(5)) to such office or other fixed place of business,

shall be treated as from sources without the United States, except that the amount so treated shall not exceed 50 percent of the income from the sale or exchange of such inventory property.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

PART II—FOREIGN-DERIVED DEDUCTION ELIGIBLE INCOME AND NET CFC TESTED INCOME

SEC. 70321. MODIFICATION OF DEDUCTION FOR FOREIGN-DERIVED DEDUCTION ELIGIBLE INCOME AND NET CFC TESTED INCOME.

(a) IN GENERAL.—Section 250(a) is amended—

(1) by striking ''37.5 percent'' in paragraph (1)(A) and inserting ''33.34 percent'',

(2) by striking ''50 percent'' in paragraph (1)(B) and inserting ''40 percent'', and

(3) by striking paragraph (3).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70322. DETERMINATION OF DEDUCTION ELIGIBLE INCOME.

(a) SALES OR OTHER DISPOSITIONS OF CERTAIN PROPERTY.—

(1) IN GENERAL.—Section 250(b)(3)(A)(i) is amended—

(A) by striking ''and'' at the end of subclause (V),

(B) by striking ''over'' at the end of subclause (VI) and inserting ''and'', and

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

''(VII) except as otherwise provided by the Secretary, any income and gain from the sale or other disposition (including pursuant to the deemed sale or other deemed disposition or a transaction subject to section 367(d)) of—

''(aa) intangible property (as defined in section 367(d)(4)), and

''(bb) any other property of a type that is subject to depreciation, amortization, or depletion by the seller, over''.

(2) CONFORMING AMENDMENT.—Section 250(b)(5)(E) is amended by inserting ''(other than paragraph (3)(A)(i)(VII))'' after ''For purposes of this subsection''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to sales or other dispositions (including pursuant to deemed sales or other deemed dispositions or a transaction subject to section 367(d) of the Internal Revenue Code of 1986) occurring after June 16, 2025.

(b) EXPENSE APPORTIONMENT LIMITED TO PROPERLY ALLOCABLE EXPENSES.—

(1) IN GENERAL.—Section 250(b)(3)(A)(ii) is amended to read as follows:

''(ii) expenses and deductions (including taxes), other than interest expense and research or experimental expenditures, properly allocable to such gross income.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2025.

SEC. 70323. RULES RELATED TO DEEMED INTANGIBLE INCOME.

(a) TAXATION OF NET CFC TESTED INCOME.—

(1) IN GENERAL.—Section 951A(a) is amended by striking ''global intangible low-taxed income'' and inserting ''net CFC tested income''.

(2) REPEAL OF TAX-FREE DEEMED RETURN ON FOREIGN INVESTMENTS.—Section 951A, as amended by the preceding provisions of this Act, is amended by striking subsections (b) and (d) and by redesignating subsections (c), (e), and (f) as subsections (b), (c), and (d), respectively.

(3) CONFORMING AMENDMENTS.—

(A)(i) Section 250 is amended by striking ''global intangible low-taxed income'' each place it appears in subsections (a)(1)(B)(i), (a)(2), and (b)(3)(A)(i)(II) and inserting ''net CFC tested income''.

(ii) The heading for section 250 of such Code is amended by striking ''**GLOBAL INTANGIBLE LOW-TAXED INCOME**'' and inserting ''**NET CFC TESTED INCOME**''.

(iii) The item relating to section 250 in the table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking ''global intangible low-taxed income'' and inserting ''net CFC tested income''.

(B) Section 951A(c)(1), as redesignated by paragraph (2), is amended by striking ''subsections (b), (c)(1)(A), and (c)(1)(B)'' and inserting ''subsections (b)(1)(A) and (b)(1)(B)''.

(C) Section 951A(d), as redesignated by paragraph (2), is amended—

(i) by striking ''global intangible low-taxed income'' each place it appears and inserting ''net CFC tested income'', and

(ii) by striking ''subsection (c)(1)(A)'' in paragraph (2)(B)(ii) and inserting ''subsection (b)(1)(A)''.

(D) Section 960(d)(2) is amended—

(i) by striking ''global intangible low-taxed income'' in subparagraph (A) and inserting ''net CFC tested income'', and

(ii) by striking ''section 951A(c)(1)(A)'' in subparagraph (B) and inserting ''section 951A(b)(1)(A)''.

(E)(i) The heading for section 951A is amended by striking ''**GLOBAL INTANGIBLE LOW-TAXED INCOME**'' and inserting ''**NET CFC TESTED INCOME**''.

(ii) The item relating to section 951A in the table of sections for subpart F of part III of subchapter N of chapter 1 is amended by striking ''Global intangible low-taxed income'' and inserting ''Net CFC tested income''.

(b) DEDUCTION FOR FOREIGN-DERIVED DEDUCTION ELIGIBLE INCOME.—

(1) IN GENERAL.—Section 250(a)(1)(A) is amended by striking ''foreign-derived intangible income'' and inserting ''foreign-derived deduction eligible income''.

(2) CONFORMING AMENDMENTS.—

(A) Section 250(a)(2) is amended by striking ''foreign-derived intangible income'' each place it appears and inserting ''foreign-derived deduction eligible income''.

(B) Section 250(b), as amended by subsection (a), is amended—

(i) by striking paragraphs (1) and (2),

(ii) by redesignating paragraphs (4) and (5) as paragraphs (1) and (2), respectively, and by moving such paragraphs before paragraph (3),

(iii) in paragraph (2)(B)(ii), as so redesignated, by striking ''paragraph (4)(B)'' and inserting ''paragraph (1)(B)'', and

(iv) by striking ''INTANGIBLE'' in the heading thereof and inserting ''DEDUCTION ELIGIBLE''.

(C)(i) The heading for section 250 is amended by striking ''**INTANGIBLE**'' in the heading thereof and inserting ''**DEDUCTION ELIGIBLE**''.

(ii) The heading for section 172(d)(9) is amended by striking ''INTANGIBLE'' and inserting ''DEDUCTION ELIGIBLE''.

(iii) The item relating to section 250 in the table of sections for part VIII of subchapter B of chapter 1 is amended by striking ''intangible'' and inserting ''deduction eligible''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

PART III—BASE EROSION MINIMUM TAX

SEC. 70331. EXTENSION AND MODIFICATION OF BASE EROSION MINIMUM TAX AMOUNT.

(a) IN GENERAL.—Section 59A(b) is amended—

(1) by striking ''10 percent'' in paragraph (1) and inserting ''10.5 percent'', and

(2) by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 59A(b)(1) is amended by striking ''Except as provided in paragraphs (2) and (3)'' and inserting ''Except as provided in paragraph (2)''.

(2) Section 59A(b)(2), as redesignated by subsection (a)(2), is amended by striking ''the percentage otherwise in effect under paragraphs (1)(A) and (2)(A) shall each be increased'' and inserting ''the percentages otherwise in effect under paragraph (1)(A) shall be increased''.

(3) Section 59A(e)(1)(C) is amended by striking ''in the case of a taxpayer described in subsection (b)(3)(B)'' and inserting ''in the case of a taxpayer described in subsection (b)(2)(B)''.

(c) OTHER MODIFICATIONS.—

(1) Section 59A(b)(2)(B)(ii), as redesignated by subsection (a)(2), is amended by striking ''registered securities dealer'' and inserting ''securities dealer registered''.

(2) Section 59A(h)(2)(B) is amended by striking ''section 6038B(b)(2)'' and inserting ''section 6038A(b)(2)''.

(3) Section 59A(i)(2) is amended—

(A) by striking ''subsection (g)'' and inserting ''subsection (h)'', and

(B) by striking ''subsection (g)(3)'' and inserting ''subsection (h)(3)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

PART IV—BUSINESS INTEREST LIMITATION

SEC. 70341. COORDINATION OF BUSINESS INTEREST LIMITATION WITH INTEREST CAPITALIZATION PROVISIONS.

(a) IN GENERAL.—Section 163(j) is amended by redesignating paragraphs (10) and (11) as paragraphs (11) and (12) and by inserting after paragraph (9) the following:

''(10) COORDINATION WITH INTEREST CAPITALIZATION PROVISIONS.—

''(A) IN GENERAL.—In applying this subsection—

''(i) the limitation under paragraph (1) shall apply to business interest without regard to whether the taxpayer would otherwise deduct such business interest or capitalize such business interest under an interest capitalization provision, and

''(ii) any reference in this subsection to a deduction for business interest shall be treated as including a reference to the capitalization of business interest.

''(B) AMOUNT ALLOWED APPLIED FIRST TO CAPITALIZED INTEREST.—The amount allowed after taking into account the limitation described in paragraph (1)—

''(i) shall be applied first to the aggregate amount of business interest which would otherwise be capitalized, and

''(ii) the remainder (if any) shall be applied to the aggregate amount of business interest which would be deducted.

''(C) TREATMENT OF DISALLOWED INTEREST CARRIED FORWARD.—No portion of any business interest carried forward under paragraph (2) from any taxable year to any succeeding taxable year shall, for purposes of this title (including any interest capitalization provision which previously applied to such portion) be treated as interest to which an interest capitalization provision applies.

''(D) INTEREST CAPITALIZATION PROVISION.—For purposes of this section, the term 'interest capitalization provision' means any provision of this subtitle under which interest—

''(i) is required to be charged to capital account, or

''(ii) may be deducted or charged to capital account.''.

(b) CERTAIN CAPITALIZED INTEREST NOT TREATED AS BUSINESS INTEREST.—Section 163(j)(5) is amended by adding at the end the following new sentence: ''Such term shall not include any interest which is capitalized under section 263(g) or 263A(f).''.

(c) REGULATORY AUTHORITY.—Section 163(j), as amended by subsection (a), is amended by redesignating paragraphs (11) and (12) as paragraphs (12) and (13) and by inserting after paragraph (10) the following:

''(11) REGULATORY AUTHORITY.—The Secretary shall issue such regulations or guidance as may be necessary or appropriate to carry out the purposes of this subsection, including regulations or guidance to determine which business interest is taken into account under this subsection and section 59A(c)(3).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70342. DEFINITION OF ADJUSTED TAXABLE INCOME FOR BUSINESS INTEREST LIMITATION.

(a) IN GENERAL.—Subparagraph (A) of section 163(j)(8) is amended—

(1) by striking ''and'' at the end of clause (iv), and

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

''(vi) the amounts included in gross income under sections 951(a), 951A(a), and 78 (and the portion of the deductions allowed under sections 245A(a) (by reason of section 964(e)(4)) and 250(a)(1)(B) by reason of such inclusions), and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

PART V—OTHER INTERNATIONAL TAX REFORMS

SEC. 70351. PERMANENT EXTENSION OF LOOK-THRU RULE FOR RELATED CONTROLLED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Section 954(c)(6)(C) is amended by striking ''and before January 1, 2026,''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2025.

SEC. 70352. REPEAL OF ELECTION FOR 1-MONTH DEFERRAL IN DETERMINATION OF TAXABLE YEAR OF SPECIFIED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Section 898(c) is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of specified foreign corporations beginning after November 30, 2025.

(c) TRANSITION RULE.—

(1) IN GENERAL.—In the case of a corporation that is a specified foreign corporation as of November 30, 2025, such corporation's first taxable year beginning after such date shall end at the same time as the first required year (within the meaning of section 898(c)(1) of the Internal Revenue Code of 1986) ending after such date. If any specified foreign corporation is required by the amendments made by this section to change its taxable year for its first taxable year beginning after November 30, 2025—

(A) such change shall be treated as initiated by such corporation,

(B) such change shall be treated as having been made with the consent of the Secretary, and

(C) the Secretary shall issue regulations or other guidance for allocating foreign taxes that are paid or accrued in such first taxable year and the succeeding taxable year among such taxable years in the manner the Secretary determines appropriate to carry out the purposes of this section.

(2) SECRETARY.—For purposes of this subsection, the term ''Secretary'' means the Secretary of the Treasury or the Secretary's delegate.

SEC. 70353. RESTORATION OF LIMITATION ON DOWNWARD ATTRIBUTION OF STOCK OWNERSHIP IN APPLYING CONSTRUCTIVE OWNERSHIP RULES.

(a) IN GENERAL.—Section 958(b) is amended—

(1) by inserting after paragraph (3) the following:

''(4) Subparagraphs (A), (B), and (C) of section 318(a)(3) shall not be applied so as to consider a United States person as owning stock which is owned by a person who is not a United States person.'', and

(2) by striking ''Paragraph (1)'' in the last sentence and inserting ''Paragraphs (1) and (4)''.

(b) FOREIGN CONTROLLED UNITED STATES SHAREHOLDERS.—Subpart F of part III of subchapter N of chapter 1 is amended by inserting after section 951A the following new section:

''SEC. 951B. AMOUNTS INCLUDED IN GROSS INCOME OF FOREIGN CONTROLLED UNITED STATES SHAREHOLDERS.

''(a) IN GENERAL.—In the case of any foreign controlled United States shareholder of a foreign controlled foreign corporation—

''(1) this subpart (other than sections 951A, 951(b), and 957) shall be applied with respect to such shareholder (separately from, and in addition to, the application of this subpart without regard to this section)—

''(A) by substituting 'foreign controlled United States shareholder' for 'United States shareholder' each place it appears therein, and

''(B) by substituting 'foreign controlled foreign corporation' for 'controlled foreign corporation' each place it appears therein, and

''(2) section 951A (and such other provisions of this subpart as provided by the Secretary) shall be applied with respect to such shareholder—

''(A) by treating each reference to 'United States shareholder' in such section as including a reference to such shareholder, and

''(B) by treating each reference to 'controlled foreign corporation' in such section as including a reference to such foreign controlled foreign corporation.

''(b) FOREIGN CONTROLLED UNITED STATES SHAREHOLDER.—For purposes of this section, the term 'foreign controlled United States shareholder' means, with respect to any foreign corporation, any United States person

which would be a United States shareholder with respect to such foreign corporation if—

''(1) section 951(b) were applied by substituting 'more than 50 percent' for '10 percent or more', and

''(2) section 958(b) were applied without regard to paragraph (4) thereof.

''(c) FOREIGN CONTROLLED FOREIGN CORPORATION.—For purposes of this section, the term 'foreign controlled foreign corporation' means a foreign corporation, other than a controlled foreign corporation, which would be a controlled foreign corporation if section 957(a) were applied—

''(1) by substituting 'foreign controlled United States shareholders' for 'United States shareholders', and

''(2) by substituting 'section 958(b) (other than paragraph (4) thereof)' for 'section 958(b)'.

''(d) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations or other guidance—

''(1) to treat a foreign controlled United States shareholder or a foreign controlled foreign corporation as a United States shareholder or as a controlled foreign corporation, respectively, for purposes of provisions of this title other than this subpart (including any reporting requirement), and

''(2) with respect to the treatment of foreign controlled foreign corporations that are passive foreign investment companies (as defined in section 1297).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart F of part III of subchapter N of chapter 1 is amended by inserting after the item relating to section 951A the following new item:

''Sec. 951B. Amounts included in gross income of foreign controlled United States shareholders.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2025.

(e) SPECIAL RULE.—

(1) IN GENERAL.—Except to the extent provided by the Secretary of the Treasury (or the Secretary's delegate), the effective date of any amendment to the Internal Revenue Code of 1986 shall be applied by treating references to United States shareholders as including references to foreign controlled United States shareholders, and by treating references to controlled foreign corporations as including references to foreign controlled foreign corporations.

(2) DEFINITIONS.—Any term used in paragraph (1) which is used in subpart F of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1986 (as amended by this section) shall have the meaning given such term in such subpart.

(f) NO INFERENCE.—The amendments made by this section shall not be construed to create any inference with respect to the proper application of any provision of the Internal Revenue Code of 1986 with respect to taxable years beginning before the taxable years to which such amendments apply.

SEC. 70354. MODIFICATIONS TO PRO RATA SHARE RULES.

(a) IN GENERAL.—Subsection (a) of section 951 is amended to read as follows:

''(a) AMOUNTS INCLUDED.—

''(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation at any time during a taxable year of the foreign corporation (in this subsection referred to as the 'CFC year')—

''(A) each United States shareholder which owns (within the meaning of section 958(a)) stock in such corporation on any day during the CFC year shall include in gross income such shareholder's pro rata share (determined under paragraph (2)) of the corporation's subpart F income for the CFC year, and

''(B) each United States shareholder which owns (within the meaning of section 958(a)) stock in such corporation on the last day, in the CFC year, on which such corporation is a controlled foreign corporation shall include in gross income the amount determined under section 956 with respect to such shareholder for the CFC year (but only to the extent not excluded from gross income under section 959(a)(2)).

''(2) PRO RATA SHARE OF SUBPART F INCOME.—A United States shareholder's pro rata share of a controlled foreign corporation's subpart F income for a CFC year shall be the portion of such income which is attributable to—

''(A) the stock of such corporation owned (within the meaning of section 958(a)) by such shareholder, and

''(B) any period of the CFC year during which—

''(i) such shareholder owned (within the meaning of section 958(a)) such stock,

''(ii) such shareholder was a United States shareholder of such corporation, and

''(iii) such corporation was a controlled foreign corporation.

''(3) TAXABLE YEAR OF INCLUSION.—Any amount required to be included in gross income by a United States shareholder under paragraph (1) with respect to a CFC year shall be included in gross income for the shareholder's taxable year which includes the last day on which the shareholder owns (within the meaning of section 958(a)) stock in the controlled foreign corporation during such CFC year.

''(4) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance allowing taxpayers to elect, or requiring taxpayers, to close the taxable year of a controlled foreign corporation upon a direct or indirect disposition of stock of such corporation.''.

(b) COORDINATION WITH SECTION 951A.—

(1) TESTED INCOME.—Section 951A(b), as redesignated by section 70323(a)(2), is amended—

(A) in paragraph (1)(A), by striking ''(determined for each taxable year of such controlled foreign corporation which ends in or with such taxable year of such United States shareholder)'', and

(B) in paragraph (1)(B), by striking ''(determined for each taxable year of such controlled foreign corporation which ends in or with such taxable year of such United States shareholder)''.

(2) PRO RATA SHARE.—Section 951A(c), as redesignated by section 70323(a)(2), is amended—

(A) in paragraph (1), by striking ''in which or with which the taxable year of the controlled foreign corporation ends'' and inserting ''determined under section 951(a)(3)'', and

(B) in paragraph (2), by striking ''the last day in the taxable year of such foreign corporation on which such foreign corporation is a controlled foreign corporation'' and inserting ''any day in such taxable year''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2025.

(2) TRANSITION RULE FOR DIVIDENDS.—Except to the extent provided by the Secretary of the Treasury (or the Secretary's delegate), a dividend paid (or deemed paid) by a controlled foreign corporation shall not be treated as a dividend for purposes of applying section 951(a)(2)(B) of the Internal Revenue Code of 1986 (as in effect before the amendments made by this section) if—

(A) such dividend—

(i) was paid (or deemed paid) on or before June 28, 2025, during the taxable year of such controlled foreign corporation which includes such date and the United States shareholder described in section 951(a)(1) of such Code (as so in effect) did not own (within the meaning of section 958(a) of such Code) the stock of such controlled foreign corporation during the portion of such taxable year on or before June 28, 2025, or

(ii) was paid (or deemed paid) after June 28, 2025, and before such controlled foreign corporation's first taxable year beginning after December 31, 2025, and

(B) such dividend does not increase the taxable income of a United States person that is subject to Federal income tax for the taxable year (including by reason of a dividends received deduction, an exclusion from gross income, or an exclusion from subpart F income).

CHAPTER 4—INVESTING IN AMERICAN FAMILIES, COMMUNITIES, AND SMALL BUSINESSES

Subchapter A—Permanent Investments in Families and Children

SEC. 70401. ENHANCEMENT OF EMPLOYER-PROVIDED CHILD CARE CREDIT.

(a) INCREASE OF AMOUNT OF QUALIFIED CHILD CARE EXPENDITURES TAKEN INTO ACCOUNT.—Section 45F(a)(1) is amended by striking ''25 percent'' and inserting ''40 percent (50 percent in the case of an eligible small business)''.

(b) INCREASE OF MAXIMUM CREDIT AMOUNT.—Subsection (b) of section 45F is amended to read as follows:

''(b) DOLLAR LIMITATION.—

''(1) IN GENERAL.—The credit allowable under subsection (a) for any taxable year shall not exceed $500,000 ($600,000 in the case of an eligible small business).

''(2) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 2026, the $500,000 and $600,000 amounts in paragraph (1) shall each be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.''.

(c) ELIGIBLE SMALL BUSINESS.—Section 45F(c) is amended by adding at the end the following new paragraph:

''(4) ELIGIBLE SMALL BUSINESS.—The term 'eligible small business' means a business that meets the gross receipts test of section 448(c), determined—

''(A) by substituting '5-taxable-year' for '3-taxable-year' in paragraph (1) thereof, and

''(B) by substituting '5-year' for '3-year' in paragraph (3)(A) thereof.''.

(d) CREDIT ALLOWED FOR THIRD-PARTY INTERMEDIARIES.—Section 45F(c)(1)(A)(iii) is amended by inserting '', or under a contract with an intermediate entity that contracts with one or more qualified child care facilities to provide such child care services'' before the period at the end.

(e) TREATMENT OF JOINTLY OWNED OR OPERATED CHILD CARE FACILITY.—Section 45F(c)(2) is amended by adding at the end the following new subparagraph:

''(C) TREATMENT OF JOINTLY OWNED OR OPERATED CHILD CARE FACILITY.—A facility shall not fail to be treated as a qualified child care facility of the taxpayer merely because such facility is jointly owned or operated by the taxpayer and other persons.''.

(f) REGULATIONS AND GUIDANCE.—Section 45F is amended by adding at the end the following new subsection:

''(g) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations or other guidance as may be necessary to carry out the purposes of this section, including guidance to carry out the purposes of paragraphs (1)(A)(iii) and (2)(C) of subsection (c).''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2025.

SEC. 70402. ENHANCEMENT OF ADOPTION CREDIT.

(a) IN GENERAL.—Section 23(a) is amended by adding at the end the following new paragraph:

''(4) PORTION OF CREDIT REFUNDABLE.—So much of the credit allowed under paragraph (1) as does not exceed $5,000 shall be treated as a credit allowed under subpart C and not as a credit allowed under this subpart.''.

(b) ADJUSTMENTS FOR INFLATION.—Section 23(h) is amended to read as follows:

''(h) ADJUSTMENTS FOR INFLATION.—

''(1) IN GENERAL.—In the case of a taxable year beginning after December 31, 2002, each of the dollar amounts in paragraphs (3) and (4) of subsection (a) and paragraphs (1) and (2)(A)(i) of subsection (b) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(2) ROUNDING.—If any amount as increased under paragraph (1) is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.

''(3) SPECIAL RULE FOR REFUNDABLE PORTION.—In the case of the dollar amount in subsection (a)(4), paragraph (1) shall be applied—

''(A) by substituting '2025' for '2002' in the matter preceding subparagraph (A), and

''(B) by substituting 'calendar year 2024' for 'calendar year 2001' in subparagraph (B) thereof.''.

(c) EXCLUSION OF REFUNDABLE PORTION OF CREDIT FROM CARRYFORWARD.—Section 23(c)(1) is amended by striking ''credit allowable under subsection (a)'' and inserting ''portion of the credit allowable under subsection (a) which is allowed under this subpart''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SEC. 70403. RECOGNIZING INDIAN TRIBAL GOVERNMENTS FOR PURPOSES OF DETERMINING WHETHER A CHILD HAS SPECIAL NEEDS FOR PURPOSES OF THE ADOPTION CREDIT.

(a) IN GENERAL.—Section 23(d)(3) is amended—

(1) in subparagraph (A), by inserting ''or Indian tribal government'' after ''a State'', and

(2) in subparagraph (B), by inserting ''or Indian tribal government'' after ''such State''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2024.

SEC. 70404. ENHANCEMENT OF THE DEPENDENT CARE ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 129(a)(2)(A) is amended by striking ''$5,000 ($2,500'' and inserting ''$7,500 ($3,750''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70405. ENHANCEMENT OF CHILD AND DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 21(a) is amended to read as follows:

''(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent—

''(A) reduced (but not below 35 percent) by 1 percentage point for each $2,000 or fraction thereof by which the taxpayer's adjusted gross income for the taxable year exceeds $15,000, and

''(B) further reduced (but not below 20 percent) by 1 percentage point for each $2,000 ($4,000 in the case of a joint return) or fraction thereof by which the taxpayer's adjusted gross income for the taxable year exceeds $75,000 ($150,000 in the case of a joint return).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

Subchapter B—Permanent Investments in Students and Reforms to Tax-exempt Institutions

SEC. 70411. TAX CREDIT FOR CONTRIBUTIONS OF INDIVIDUALS TO SCHOLARSHIP GRANTING ORGANIZATIONS.

(a) ALLOWANCE OF CREDIT FOR CONTRIBUTIONS OF INDIVIDUALS TO SCHOLARSHIP GRANTING ORGANIZATIONS.—

(1) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 is amended by inserting after section 25E the following new section:

''SEC. 25F. QUALIFIED ELEMENTARY AND SECONDARY EDUCATION SCHOLARSHIPS.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who is a citizen or resident of the United States (within the meaning of section 7701(a)(9)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the aggregate amount of qualified contributions made by the taxpayer during the taxable year.

''(b) LIMITATIONS.—

''(1) IN GENERAL.—The credit allowed under subsection (a) to any taxpayer for any taxable year shall not exceed $1,700.

''(2) REDUCTION BASED ON STATE CREDIT.—The amount allowed as a credit under subsection (a) for a taxable year shall be reduced by the amount allowed as a credit on any State tax return of the taxpayer for qualified contributions made by the taxpayer during the taxable year.

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

''(1) COVERED STATE.—The term 'covered State' means one of the States, or the District of Columbia, that, for a calendar year, voluntarily elects to participate under this section and to identify scholarship granting organizations in the State, in accordance with subsection (g).

''(2) ELIGIBLE STUDENT.—The term 'eligible student' means an individual who—

''(A) is a member of a household with an income which, for the calendar year prior to the date of the application for a scholarship, is not greater than 300 percent of the area median gross income (as such term is used in section 42), and

''(B) is eligible to enroll in a public elementary or secondary school.

''(3) QUALIFIED CONTRIBUTION.—The term 'qualified contribution' means a charitable contribution of cash to a scholarship granting organization that uses the contribution to fund scholarships for eligible students solely within the State in which the organization is listed pursuant to subsection (g).

''(4) QUALIFIED ELEMENTARY OR SECONDARY EDUCATION EXPENSE.—The term 'qualified elementary or secondary education expense' means any expense of an eligible student which is described in section 530(b)(3)(A).

''(5) SCHOLARSHIP GRANTING ORGANIZATION.—The term 'scholarship granting organization' means any organization—

''(A) which—

''(i) is described in section 501(c)(3) and exempt from tax under section 501(a), and

''(ii) is not a private foundation,

''(B) which prevents the co-mingling of qualified contributions with other amounts by maintaining one or more separate accounts exclusively for qualified contributions,

''(C) which satisfies the requirements of subsection (d), and

''(D) which is included on the list submitted for the applicable covered State under subsection (g) for the applicable year.

''(d) REQUIREMENTS FOR SCHOLARSHIP GRANTING ORGANIZATIONS.—

''(1) IN GENERAL.—An organization meets the requirements of this subsection if—

''(A) such organization provides scholarships to 10 or more students who do not all attend the same school,

''(B) such organization spends not less than 90 percent of the income of the organization on scholarships for eligible students,

''(C) such organization does not provide scholarships for any expenses other than qualified elementary or secondary education expenses,

''(D) such organization provides a scholarship to eligible students with a priority for—

''(i) students awarded a scholarship the previous school year, and

''(ii) after application of clause (i), any eligible students who have a sibling who was awarded a scholarship from such organization,

''(E) such organization does not earmark or set aside contributions for scholarships on behalf of any particular student, and

''(F) such organization—

''(i) verifies the annual household income and family size of eligible students who apply for scholarships to ensure such students meet the requirement of subsection (c)(2)(A), and

''(ii) limits the awarding of scholarships to eligible students who are a member of a household for which the income does not exceed the amount established under subsection (c)(2)(A).

''(2) PROHIBITION ON SELF-DEALING.—

''(A) IN GENERAL.—A scholarship granting organization may not award a scholarship to any disqualified person.

''(B) DISQUALIFIED PERSON.—For purposes of this paragraph, a disqualified person shall be determined pursuant to rules similar to the rules of section 4946.

''(e) DENIAL OF DOUBLE BENEFIT.—Any qualified contribution for which a credit is allowed under this section shall not be taken into account as a charitable contribution for purposes of section 170.

''(f) CARRYFORWARD OF UNUSED CREDIT.—

''(1) IN GENERAL.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section, section 23, and section 25D), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

''(2) LIMITATION.—No credit may be carried forward under this subsection to any taxable year following the fifth taxable year after the taxable year in which the credit arose. For purposes of the preceding sentence, credits shall be treated as used on a first-in first-out basis.

''(g) STATE LIST OF SCHOLARSHIP GRANTING ORGANIZATIONS.—

''(1) LIST.—

''(A) IN GENERAL.—Not later than January 1 of each calendar year (or, with respect to the first calendar year for which this section applies, as early as practicable), a State that

voluntarily elects to participate under this section shall provide to the Secretary a list of the scholarship granting organizations that meet the requirements described in subsection (c)(5) and are located in the State.

''(B) PROCESS.—The election under this paragraph shall be made by the Governor of the State or by such other individual, agency, or entity as is designated under State law to make such elections on behalf of the State with respect to Federal tax benefits.

''(2) CERTIFICATION.—Each list submitted under paragraph (1) shall include a certification that the individual, agency, or entity submitting such list on behalf of the State has the authority to perform this function.

''(h) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations or other guidance as the Secretary determines necessary to carry out the purposes of this section, including regulations or other guidance—

''(1) providing for enforcement of the requirements under subsections (d) and (g), and

''(2) with respect to recordkeeping or information reporting for purposes of administering the requirements of this section.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 25(e)(1)(C) is amended by striking ''and 25D'' and inserting ''25D, and 25F''.

(B) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25E the following new item:

''Sec. 25F. Qualified elementary and secondary education scholarships.''.

(b) EXCLUSION FROM GROSS INCOME FOR SCHOLARSHIPS FOR QUALIFIED ELEMENTARY OR SECONDARY EDUCATION EXPENSES OF ELIGIBLE STUDENTS.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting before section 140 the following new section:

''SEC. 139K. SCHOLARSHIPS FOR QUALIFIED ELEMENTARY OR SECONDARY EDUCATION EXPENSES OF ELIGIBLE STUDENTS.

''(a) IN GENERAL.—In the case of an individual, gross income shall not include any amounts provided to such individual or any dependent of such individual pursuant to a scholarship for qualified elementary or secondary education expenses of an eligible student which is provided by a scholarship granting organization.

''(b) DEFINITIONS.—In this section, the terms 'qualified elementary or secondary education expense', 'eligible student', and 'scholarship granting organization' have the same meaning given such terms under section 25F(c).''.

(2) CONFORMING AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139K. Scholarships for qualified elementary or secondary education expenses of eligible students.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after December 31, 2026.

(2) EXCLUSION FROM GROSS INCOME.—The amendments made by subsection (b) shall apply to amounts received after December 31, 2026, in taxable years ending after such date.

SEC. 70412. EXCLUSION FOR EMPLOYER PAYMENTS OF STUDENT LOANS.

(a) IN GENERAL.—Section 127(c)(1)(B) is amended by striking ''in the case of payments made before January 1, 2026,''.

(b) INFLATION ADJUSTMENT.—Section 127 is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following new subsection:

''(d) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any taxable year beginning after 2026, both of the $5,250 amounts in subsection (a)(2) shall each be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(2) ROUNDING.—If any increase under paragraph (1) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2025.

SEC. 70413. ADDITIONAL EXPENSES TREATED AS QUALIFIED HIGHER EDUCATION EXPENSES FOR PURPOSES OF 529 ACCOUNTS.

(a) IN GENERAL.—

(1) IN GENERAL.—Section 529(c)(7) is amended to read as follows:

''(7) TREATMENT OF ELEMENTARY AND SECONDARY TUITION.—Any reference in this section to the term 'qualified higher education expense' shall include a reference to the following expenses in connection with enrollment or attendance at, or for students enrolled at or attending, an elementary or secondary public, private, or religious school:

''(A) Tuition.

''(B) Curriculum and curricular materials.

''(C) Books or other instructional materials.

''(D) Online educational materials.

''(E) Tuition for tutoring or educational classes outside of the home, including at a tutoring facility, but only if the tutor or instructor is not related to the student and—

''(i) is licensed as a teacher in any State,

''(ii) has taught at an eligible educational institution, or

''(iii) is a subject matter expert in the relevant subject.

''(F) Fees for a nationally standardized norm-referenced achievement test, an advanced placement examination, or any examinations related to college or university admission.

''(G) Fees for dual enrollment in an institution of higher education.

''(H) Educational therapies for students with disabilities provided by a licensed or accredited practitioner or provider, including occupational, behavioral, physical, and speech-language therapies.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to distributions made after the date of the enactment of this Act.

(b) INCREASE IN LIMITATION.—

(1) IN GENERAL.—The last sentence of section 529(e)(3) is amended by striking ''$10,000'' and inserting ''$20,000''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2025.

SEC. 70414. CERTAIN POSTSECONDARY CREDENTIALING EXPENSES TREATED AS QUALIFIED HIGHER EDUCATION EXPENSES FOR PURPOSES OF 529 ACCOUNTS.

(a) IN GENERAL.—Section 529(e)(3) is amended by adding at the end the following new subparagraph:

''(C) CERTAIN POSTSECONDARY CREDENTIALING EXPENSES.—The term 'qualified higher education expenses' includes qualified postsecondary credentialing expenses (as defined in subsection (f)).''.

(b) QUALIFIED POSTSECONDARY CREDENTIALING EXPENSES.—Section 529 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) QUALIFIED POSTSECONDARY CREDENTIALING EXPENSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified postsecondary credentialing expenses' means—

''(A) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a designated beneficiary in a recognized postsecondary credential program, or any other expense incurred in connection with enrollment in or attendance at a recognized postsecondary credential program if such expense would, if incurred in connection with enrollment or attendance at an eligible educational institution, be covered under subsection (e)(3)(A),

''(B) fees for testing if such testing is required to obtain or maintain a recognized postsecondary credential, and

''(C) fees for continuing education if such education is required to maintain a recognized postsecondary credential.

''(2) RECOGNIZED POSTSECONDARY CREDENTIAL PROGRAM.—The term 'recognized postsecondary credential program' means any program to obtain a recognized postsecondary credential if—

''(A) such program is included on a State list prepared under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)),

''(B) such program is listed in the public directory of the Web Enabled Approval Management System (WEAMS) of the Veterans Benefits Administration, or successor directory such program,

''(C) an examination (developed or administered by an organization widely recognized as providing reputable credentials in the occupation) is required to obtain or maintain such credential and such organization recognizes such program as providing training or education which prepares individuals to take such examination, or

''(D) such program is identified by the Secretary, after consultation with the Secretary of Labor, as being a reputable program for obtaining a recognized postsecondary credential for purposes of this subparagraph.

''(3) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' means—

''(A) any postsecondary employment credential that is industry recognized and is—

''(i) any postsecondary employment credential issued by a program that is accredited by the Institute for Credentialing Excellence, the National Commission on Certifying Agencies, or the American National Standards Institute,

''(ii) any postsecondary employment credential that is included in the Credentialing Opportunities On-Line (COOL) directory of credentialing programs (or successor directory) maintained by the Department of Defense or by any branch of the Armed Forces, or

''(iii) any postsecondary employment credential identified for purposes of this clause by the Secretary, after consultation with the Secretary of Labor, as being industry recognized,

''(B) any certificate of completion of an apprenticeship that is registered and certified with the Secretary of Labor under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act'; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.),

''(C) any occupational or professional license issued or recognized by a State or the Federal Government (and any certification that satisfies a condition for obtaining such a license), and

''(D) any recognized postsecondary credential as defined in section 3(52) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(52)), provided through a program described in paragraph (2)(A).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after the date of the enactment of this Act.

SEC. 70415. MODIFICATION OF EXCISE TAX ON INVESTMENT INCOME OF CERTAIN PRIVATE COLLEGES AND UNIVERSITIES.

(a) IN GENERAL.—Section 4968 is amended to read as follows:

''SEC. 4968. EXCISE TAX BASED ON INVESTMENT INCOME OF PRIVATE COLLEGES AND UNIVERSITIES.

''(a) TAX IMPOSED.—There is hereby imposed on each applicable educational institution for the taxable year a tax equal to the applicable percentage of the net investment income of such institution for the taxable year.

''(b) APPLICABLE PERCENTAGE.—For purposes of this section, the term 'applicable percentage' means—

''(1) 1.4 percent in the case of an institution with a student adjusted endowment of at least $500,000, and not in excess of $750,000,

''(2) 4 percent in the case of an institution with a student adjusted endowment in excess of $750,000, and not in excess of $2,000,000, and

''(3) 8 percent in the case of an institution with a student adjusted endowment in excess of $2,000,000.

''(c) APPLICABLE EDUCATIONAL INSTITUTION.—For purposes of this subchapter, the term 'applicable educational institution' means an eligible educational institution (as defined in section 25A(f)(2))—

''(1) which had at least 3,000 tuition-paying students during the preceding taxable year,

''(2) more than 50 percent of the tuition-paying students of which are located in the United States,

''(3) the student adjusted endowment of which is at least $500,000, and

''(4) which is not described in the first sentence of section 511(a)(2)(B) (relating to State colleges and universities).

''(d) STUDENT ADJUSTED ENDOWMENT.—For purposes of this section, the term 'student adjusted endowment' means, with respect to any institution for any taxable year—

''(1) the aggregate fair market value of the assets of such institution (determined as of the end of the preceding taxable year), other than those assets which are used directly in carrying out the institution's exempt purpose, divided by

''(2) the number of students of such institution.

''(e) DETERMINATION OF NUMBER OF STUDENTS.—For purposes of subsections (c) and (d), the number of students of an institution (including for purposes of determining the number of students at a particular location) shall be based on the daily average number of full-time students attending such institution (with part-time students taken into account on a full-time student equivalent basis).

''(f) NET INVESTMENT INCOME.—For purposes of this section—

''(1) IN GENERAL.—Net investment income shall be determined under rules similar to the rules of section 4940(c).

''(2) OVERRIDE OF CERTAIN REGULATORY EXCEPTIONS.—

''(A) STUDENT LOAN INTEREST.—Net investment income shall be determined by taking into account any interest income from a student loan made by the applicable educational institution (or any related organization) as gross investment income.

''(B) FEDERALLY-SUBSIDIZED ROYALTY INCOME.—

''(i) IN GENERAL.—Net investment income shall be determined by taking into account any Federally-subsidized royalty income as gross investment income.

''(ii) FEDERALLY-SUBSIDIZED ROYALTY INCOME.—For purposes of this subparagraph—

''(I) IN GENERAL.—The term 'Federally-subsidized royalty income' means any otherwise-regulatory-exempt royalty income if any Federal funds were used in the research, development, or creation of the patent, copyright, or other intellectual or intangible property from which such royalty income is derived.

''(II) OTHERWISE-REGULATORY-EXEMPT ROYALTY INCOME.—For purposes of this subparagraph, the term 'otherwise-regulatory-exempt royalty income' means royalty income which (but for this subparagraph) would not be taken into account as gross investment income by reason of being derived from patents, copyrights, or other intellectual or intangible property which resulted from the work of students or faculty members in their capacities as such with the applicable educational institution.

''(III) FEDERAL FUNDS.—The term 'Federal funds' includes any grant made by, and any payment made under any contract with, any Federal agency to the applicable educational institution, any related organization, or any student or faculty member referred to in subclause (II).

''(g) ASSETS AND NET INVESTMENT INCOME OF RELATED ORGANIZATIONS.—

''(1) IN GENERAL.—For purposes of subsections (d) and (f), assets and net investment income of any related organization with respect to an educational institution shall be treated as assets and net investment income, respectively, of the educational institution, except that—

''(A) no such amount shall be taken into account with respect to more than 1 educational institution, and

''(B) unless such organization is controlled by such institution or is described in section 509(a)(3) with respect to such institution for the taxable year, assets and net investment income which are not intended or available for the use or benefit of the educational institution shall not be taken into account.

''(2) RELATED ORGANIZATION.—For purposes of this subsection, the term 'related organization' means, with respect to an educational institution, any organization which—

''(A) controls, or is controlled by, such institution,

''(B) is controlled by 1 or more persons which also control such institution, or

''(C) is a supported organization (as defined in section 509(f)(3)), or an organization described in section 509(a)(3), during the taxable year with respect to such institution.

''(h) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary to prevent avoidance of the tax under this section, including regulations or other guidance to prevent avoidance of such tax through the restructuring of endowment funds or other arrangements designed to reduce or eliminate the value of net investment income or assets subject to the tax imposed by this section.''.

(b) REQUIREMENT TO REPORT CERTAIN INFORMATION WITH RESPECT TO APPLICATION OF EXCISE TAX BASED ON INVESTMENT INCOME OF PRIVATE COLLEGES AND UNIVERSITIES.—Section 6033 is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

''(o) REQUIREMENT TO REPORT CERTAIN INFORMATION WITH RESPECT TO EXCISE TAX BASED ON INVESTMENT INCOME OF PRIVATE COLLEGES AND UNIVERSITIES.—Each applicable educational institution described in section 4968(c) which is subject to the requirements of subsection (a) shall include on the return required under subsection (a)—

''(1) the number of tuition-paying students taken into account under section 4968(c), and

''(2) the number of students of such institution (determined under the rules of section 4968(e)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70416. EXPANDING APPLICATION OF TAX ON EXCESS COMPENSATION WITHIN TAX-EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Section 4960(c)(2) is amended to read as follows:

''(2) COVERED EMPLOYEE.—For purposes of this section, the term 'covered employee' means any employee of an applicable tax-exempt organization (or any predecessor of such an organization) and any former employee of such an organization (or predecessor) who was such an employee during any taxable year beginning after December 31, 2016.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2025.

Subchapter C—Permanent Investments in Community Development

SEC. 70421. PERMANENT RENEWAL AND ENHANCEMENT OF OPPORTUNITY ZONES.

(a) DECENNIAL DESIGNATIONS.—

(1) DETERMINATION PERIOD.—Section 1400Z-1(c)(2)(B) is amended by striking ''beginning on the date of the enactment of the Tax Cuts and Jobs Act'' and inserting ''beginning on the decennial determination date''.

(2) DECENNIAL DETERMINATION DATE.—Section 1400Z-1(c)(2) is amended by adding at the end the following new subparagraph:

''(C) DECENNIAL DETERMINATION DATE.—The term 'decennial determination date' means—

''(i) July 1, 2026, and

''(ii) each July 1 of the year that is 10 years after the preceding decennial determination date under this subparagraph.''.

(3) REPEAL OF SPECIAL RULE FOR PUERTO RICO.—Section 1400Z-1(b) is amended by striking paragraph (3).

(4) LIMITATION ON NUMBER OF DESIGNATIONS.—Section 1400Z-1(d)(1) is amended—

(A) in paragraph (1)—

(i) by striking ''and subsection (b)(3)'', and

(ii) by inserting ''during any period'' after ''the number of population census tracts in a State that may be designated as qualified opportunity zones under this section'', and

(B) in paragraph (2), by inserting ''during any period'' before the period at the end.

(5) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall take effect on the date of the enactment of this Act.

(B) PUERTO RICO.—The amendment made by paragraph (3) shall take effect on December 31, 2026.

(b) QUALIFICATION FOR DESIGNATIONS.—

(1) DETERMINATION OF LOW-INCOME COMMUNITIES.—Section 1400Z-1(c) is amended by striking all that precedes paragraph (2) and inserting the following:

''(c) OTHER DEFINITIONS.—For purposes of this section—

''(1) LOW-INCOME COMMUNITIES.—The term 'low-income community' means any population census tract if—

''(A) such population census tract has a median family income that—

''(i) in the case of a population census tract not located within a metropolitan area, does not exceed 70 percent of the statewide median family income, or

''(ii) in the case of a population census tract located within a metropolitan area,

does not exceed 70 percent of the metropolitan area median family income, or

''(B) such population census tract—

''(i) has a poverty rate of at least 20 percent, and

''(ii) has a median family income that—

''(I) in the case of a population census tract not located within a metropolitan area, does not exceed 125 percent of the statewide median family income, or

''(II) in the case of a population census tract located within a metropolitan area, does not exceed 125 percent of the metropolitan area median family income.''.

(2) REPEAL OF RULE FOR CONTIGUOUS CENSUS TRACTS.—Section 1400Z-1 is amended by striking subsection (e) and by redesignating subsection (f) as subsection (e).

(3) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—Section 1400Z-1(e), as redesignated by paragraph (2), is amended to read as follows:

''(e) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—A designation as a qualified opportunity zone shall remain in effect for the period beginning on the applicable start date and ending on the day before the date that is 10 years after the applicable start date.

''(2) APPLICABLE START DATE.—For purposes of this section, the term 'applicable start date' means, with respect to any qualified opportunity zone designated under this section, the January 1 following the date on which such qualified opportunity zone was certified and designated by the Secretary under subsection (b)(1)(B).''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to areas designated under section 1400Z-1 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

(c) APPLICATION OF SPECIAL RULES FOR CAPITAL GAINS.—

(1) REPEAL OF SUNSET ON ELECTION.—Section 1400Z-2(a)(2) is amended to read as follows:

''(2) ELECTION.—No election may be made under paragraph (1) with respect to a sale or exchange if an election previously made with respect to such sale or exchange is in effect.''.

(2) MODIFICATION OF RULES FOR DEFERRAL OF GAIN.—Section 1400Z-2(b) is amended to read as follows:

''(b) DEFERRAL OF GAIN INVESTED IN OPPORTUNITY ZONE PROPERTY.—

''(1) YEAR OF INCLUSION.—Gain to which subsection (a)(1)(B) applies shall be included in gross income in the taxable year which includes the earlier of—

''(A) the date on which such investment is sold or exchanged, or

''(B) the date which is 5 years after the date the investment in the qualified opportunity fund was made.

''(2) AMOUNT INCLUDIBLE.—

''(A) IN GENERAL.—The amount of gain included in gross income under subsection (a)(1)(B) shall be the excess of—

''(i) the lesser of the amount of gain excluded under subsection (a)(1)(A) or the fair market value of the investment as determined as of the date described in paragraph (1), over

''(ii) the taxpayer's basis in the investment.

''(B) DETERMINATION OF BASIS.—

''(i) IN GENERAL.—Except as otherwise provided in this subparagraph or subsection (c), the taxpayer's basis in the investment shall be zero.

''(ii) INCREASE FOR GAIN RECOGNIZED UNDER SUBSECTION (a)(1)(B).—The basis in the investment shall be increased by the amount of gain recognized by reason of subsection (a)(1)(B) with respect to such investment.

''(iii) INVESTMENTS HELD FOR 5 YEARS.—

''(I) IN GENERAL.—In the case of any investment held for at least 5 years, the basis of such investment shall be increased by an amount equal to 10 percent (30 percent in the case of any investment in a qualified rural opportunity fund) of the amount of gain deferred by reason of subsection (a)(1)(A).

''(II) APPLICATION OF INCREASE.—For purposes of this subsection, any increase in basis under this clause shall be treated as occurring before the date described in paragraph (1)(B).

''(C) QUALIFIED RURAL OPPORTUNITY FUND.—For purposes of subparagraph (B)(iii)—

''(i) QUALIFIED RURAL OPPORTUNITY FUND.—The term 'qualified rural opportunity fund' means a qualified opportunity fund that holds at least 90 percent of its assets in qualified opportunity zone property which—

''(I) is qualified opportunity zone business property substantially all of the use of which, during substantially all of the fund's holding period for such property, was in a qualified opportunity zone comprised entirely of a rural area, or

''(II) is qualified opportunity zone stock, or a qualified opportunity zone partnership interest, in a qualified opportunity zone business in which substantially all of the tangible property owned or leased is qualified opportunity zone business property described in subsection (d)(3)(A)(i) and substantially all the use of which is in a qualified opportunity zone comprised entirely of a rural area.

For purposes of the preceding sentence, property held in the fund shall be measured under rules similar to the rules of subsection (d)(1).

''(ii) RURAL AREA.—The term 'rural area' means any area other than—

''(I) a city or town that has a population of greater than 50,000 inhabitants, and

''(II) any urbanized area contiguous and adjacent to a city or town described in subclause (I).''.

(3) SPECIAL RULE FOR INVESTMENTS HELD AT LEAST 10 YEARS.—Section 1400Z-2(c) is amended by striking ''makes an election under this clause'' and all that follows and inserting ''makes an election under this subsection, the basis of such investment shall be equal to—

''(A) in the case of an investment sold before the date that is 30 years after the date of the investment, the fair market value of such investment on the date such investment is sold or exchanged, or

''(B) in any other case, the fair market value of such investment on the date that is 30 years after the date of the investment.''.

(4) DETERMINATION OF QUALIFIED OPPORTUNITY ZONE PROPERTY.—

(A) QUALIFIED OPPORTUNITY ZONE BUSINESS PROPERTY.—Section 1400Z-2(d)(2)(D)(i)(I) is amended by striking ''December 31, 2017'' and inserting ''the applicable start date (as defined in section 1400Z-1(e)(2)) with respect to the qualified opportunity zone described in subclause (III)''.

(B) QUALIFIED OPPORTUNITY ZONE STOCK AND PARTNERSHIP INTERESTS.—Section 1400Z-2(d)(2) is amended—

(i) by striking ''December 31, 2017,'' each place it appears in subparagraphs (B)(i)(I) and (C)(i) and inserting ''the applicable date'', and

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

''(E) APPLICABLE DATE.—For purposes of this subparagraph, the term 'applicable date' means, with respect to any corporation or partnership which is a qualified opportunity zone business, the earliest date described in subparagraph (D)(i)(I) with respect to the qualified opportunity zone business property held by such qualified opportunity zone business.''.

(C) SPECIAL RULE FOR IMPROVEMENT OF EXISTING STRUCTURES IN RURAL AREAS.—Section 1400Z–2(d)(2)(D)(ii) is amended by inserting ''(50 percent of such adjusted basis in the case of property in a qualified opportunity zone comprised entirely of a rural area (as defined in subsection (b)(2)(C)(ii))'' after ''the adjusted basis of such property''.

(5) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendments made by this subsection shall apply to amounts invested in qualified opportunity funds after December 31, 2026.

(B) ACQUISITION OF QUALIFIED OPPORTUNITY ZONE PROPERTY.—The amendments made by subparagraphs (A) and (B) of paragraph (4) shall apply to property acquired after December 31, 2026.

(C) SUBSTANTIAL IMPROVEMENT.—The amendment made by paragraph (4)(C) shall take effect on the date of the enactment of this Act.

(d) INFORMATION REPORTING ON QUALIFIED OPPORTUNITY FUNDS AND QUALIFIED RURAL OPPORTUNITY FUNDS.—

(1) FILING REQUIREMENTS FOR FUNDS AND INVESTORS.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6039J the following new sections:

''SEC. 6039K. RETURNS WITH RESPECT TO QUALIFIED OPPORTUNITY FUNDS AND QUALIFIED RURAL OPPORTUNITY FUNDS.

''(a) IN GENERAL.—Every qualified opportunity fund shall file an annual return (at such time and in such manner as the Secretary may prescribe) containing the information described in subsection (b).

''(b) INFORMATION FROM QUALIFIED OPPORTUNITY FUNDS.—The information described in this subsection is—

''(1) the name, address, and taxpayer identification number of the qualified opportunity fund,

''(2) whether the qualified opportunity fund is organized as a corporation or a partnership,

''(3) the value of the total assets held by the qualified opportunity fund as of each date described in section 1400Z–2(d)(1),

''(4) the value of all qualified opportunity zone property held by the qualified opportunity fund on each such date,

''(5) with respect to each investment held by the qualified opportunity fund in qualified opportunity zone stock or a qualified opportunity zone partnership interest—

''(A) the name, address, and taxpayer identification number of the corporation in which such stock is held or the partnership in which such interest is held, as the case may be,

''(B) each North American Industry Classification System (NAICS) code that applies to the trades or businesses conducted by such corporation or partnership,

''(C) the population census tract or population census tracts in which the qualified opportunity zone business property of such corporation or partnership is located,

''(D) the amount of the investment in such stock or partnership interest as of each date described in section 1400Z–2(d)(1),

''(E) the value of tangible property held by such corporation or partnership on each such date which is owned by such corporation or partnership,

''(F) the value of tangible property held by such corporation or partnership on each such date which is leased by such corporation or partnership,

''(G) the approximate number of residential units (if any) for any real property held by such corporation or partnership, and

''(H) the approximate average monthly number of full-time equivalent employees of

such corporation or partnership for the year (within numerical ranges identified by the Secretary) or such other indication of the employment impact of such corporation or partnership as determined appropriate by the Secretary,

''(6) with respect to the items of qualified opportunity zone business property held by the qualified opportunity fund—

''(A) the North American Industry Classification System (NAICS) code that applies to the trades or businesses in which such property is held,

''(B) the population census tract in which the property is located,

''(C) whether the property is owned or leased,

''(D) the aggregate value of the items of qualified opportunity zone property held by the qualified opportunity fund as of each date described in section 1400Z–2(d)(1), and

''(E) in the case of real property, the number of residential units (if any),

''(7) the approximate average monthly number of full-time equivalent employees for the year of the trades or businesses of the qualified opportunity fund in which qualified opportunity zone business property is held (within numerical ranges identified by the Secretary) or such other indication of the employment impact of such trades or businesses as determined appropriate by the Secretary,

''(8) with respect to each person who disposed of an investment in the qualified opportunity fund during the year—

''(A) the name, address, and taxpayer identification number of such person,

''(B) the date or dates on which the investment disposed was acquired, and

''(C) the date or dates on which any such investment was disposed and the amount of the investment disposed, and

''(9) such other information as the Secretary may require.

''(c) STATEMENT REQUIRED TO BE FURNISHED TO INVESTORS.—Every person required to make a return under subsection (a) shall furnish to each person whose name is required to be set forth in such return by reason of subsection (b)(8) (at such time and in such manner as the Secretary may prescribe) a written statement showing—

''(1) the name, address, and phone number of the information contact of the person required to make such return, and

''(2) the information required to be shown on such return by reason of subsection (b)(8) with respect to the person whose name is required to be so set forth.

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

''(1) IN GENERAL.—Any term used in this section which is also used in subchapter Z of chapter 1 shall have the meaning given such term under such subchapter.

''(2) FULL-TIME EQUIVALENT EMPLOYEES.—The term 'full-time equivalent employees' means, with respect to any month, the sum of—

''(A) the number of full-time employees (as defined in section 4980H(c)(4)) for the month, plus

''(B) the number of employees determined (under rules similar to the rules of section 4980H(c)(2)(E)) by dividing the aggregate number of hours of service of employees who are not full-time employees for the month by 120.

''(e) APPLICATION TO QUALIFIED RURAL OPPORTUNITY FUNDS.—Every qualified rural opportunity fund (as defined in section 1400Z–2(b)(2)(C)) shall file the annual return required under subsection (a), and the statements required under subsection (c), applied—

''(1) by substituting 'qualified rural opportunity' for 'qualified opportunity' each place it appears,

''(2) by substituting 'section 1400Z–2(b)(2)(C)' for 'section 1400Z–2(d)(1)' each place it appears, and

''(3) by treating any reference (after the application of paragraph (1)) to qualified rural opportunity zone stock, a qualified rural opportunity zone partnership interest, a qualified rural opportunity zone business, or qualified opportunity zone business property as stock, an interest, a business, or property, respectively, described in subclause (I) or (II), as the case may be, of section 1400Z–2(b)(2)(C)(i).

''SEC. 6039L. INFORMATION REQUIRED FROM QUALIFIED OPPORTUNITY ZONE BUSINESSES AND QUALIFIED RURAL OPPORTUNITY ZONE BUSINESSES.

''(a) IN GENERAL.—Every applicable qualified opportunity zone business shall furnish to the qualified opportunity fund described in subsection (b) a written statement at such time, in such manner, and setting forth such information as the Secretary may by regulations prescribe for purposes of enabling such qualified opportunity fund to meet the requirements of section 6039K(b)(5).

''(b) APPLICABLE QUALIFIED OPPORTUNITY ZONE BUSINESS.—For purposes of subsection (a), the term 'applicable qualified opportunity zone business' means any qualified opportunity zone business—

''(1) which is a trade or business of a qualified opportunity fund,

''(2) in which a qualified opportunity fund holds qualified opportunity zone stock, or

''(3) in which a qualified opportunity fund holds a qualified opportunity zone partnership interest.

''(c) OTHER TERMS.—Any term used in this section which is also used in subchapter Z of chapter 1 shall have the meaning given such term under such subchapter.

''(d) APPLICATION TO QUALIFIED RURAL OPPORTUNITY BUSINESSES.—Every applicable qualified rural opportunity zone business (as defined in subsection (b) determined after application of the substitutions described in this sentence) shall furnish the written statement required under subsection (a), applied—

''(1) by substituting 'qualified rural opportunity' for 'qualified opportunity' each place it appears, and

''(2) by treating any reference (after the application of paragraph (1)) to qualified rural opportunity zone stock, a qualified rural opportunity zone partnership interest, or a qualified rural opportunity zone business as stock, an interest, or a business, respectively, described in subclause (I) or (II), as the case may be, of section 1400Z–2(b)(2)(C)(i).''.

(2) PENALTIES.—

(A) IN GENERAL.—Part II of subchapter B of chapter 68 is amended by inserting after section 6725 the following new section:

''SEC. 6726. FAILURE TO COMPLY WITH INFORMATION REPORTING REQUIREMENTS RELATING TO QUALIFIED OPPORTUNITY FUNDS AND QUALIFIED RURAL OPPORTUNITY FUNDS.

''(a) IN GENERAL.—If any person required to file a return under section 6039K fails to file a complete and correct return under such section in the time and in the manner prescribed therefor, such person shall pay a penalty of $500 for each day during which such failure continues.

''(b) LIMITATION.—

''(1) IN GENERAL.—The maximum penalty under this section on failures with respect to any 1 return shall not exceed $10,000.

''(2) LARGE QUALIFIED OPPORTUNITY FUNDS.—In the case of any failure described in subsection (a) with respect to a fund the gross assets of which (determined on the last day of the taxable year) are in excess of $10,000,000, paragraph (1) shall be applied by substituting '$50,000' for '$10,000'.

''(c) PENALTY IN CASES OF INTENTIONAL DISREGARD.—If a failure described in subsection (a) is due to intentional disregard, then—

''(1) subsection (a) shall be applied by substituting '$2,500' for '$500',

''(2) subsection (b)(1) shall be applied by substituting '$50,000' for '$10,000', and

''(3) subsection (b)(2) shall be applied by substituting '$250,000' for '$50,000'.

''(d) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any failure relating to a return required to be filed in a calendar year beginning after 2025, each of the dollar amounts in subsections (a), (b), and (c) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

''(2) ROUNDING.—

''(A) IN GENERAL.—If the $500 dollar amount in subsection (a) and (c)(1) or the $2,500 amount in subsection (c)(1), after being increased under paragraph (1), is not a multiple of $10, such dollar amount shall be rounded to the next lowest multiple of $10.

''(B) ASSET THRESHOLD.—If the $10,000,000 dollar amount in subsection (b)(2), after being increased under paragraph (1), is not a multiple of $10,000, such dollar amount shall be rounded to the next lowest multiple of $10,000.

''(C) OTHER DOLLAR AMOUNTS.—If any dollar amount in subsection (b) or (c) (other than any amount to which subparagraph (A) or (B) applies), after being increased under paragraph (1), is not a multiple of $1,000, such dollar amount shall be rounded to the next lowest multiple of $1,000.''.

(B) INFORMATION REQUIRED TO BE SENT TO OTHER TAXPAYERS.—Section 6724(d)(2), as amended by the preceding provisions of this Act, is amended—

(i) by striking ''or'' at the end of subparagraph (LL),

(ii) by striking the period at the end of subparagraph (MM) and inserting a comma, and

(iii) by inserting after subparagraph (MM) the following new subparagraphs:

''(NN) section 6039K(c) (relating to disposition of qualified opportunity fund investments), or

''(OO) section 6039L (relating to information required from certain qualified opportunity zone businesses and qualified rural opportunity zone businesses).''.

(3) ELECTRONIC FILING.—Section 6011(e) is amended by adding at the end the following new paragraph:

''(8) QUALIFIED OPPORTUNITY FUNDS AND QUALIFIED RURAL OPPORTUNITY FUNDS.—Notwithstanding paragraphs (1) and (2), any return filed by a qualified opportunity fund or qualified rural opportunity fund under section 6039K shall be filed on magnetic media or other machine-readable form.''.

(4) CLERICAL AMENDMENTS.—

(A) The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6039J the following new items:

''Sec. 6039K.	Returns with respect to qualified opportunity funds and qualified rural opportunity funds.
''Sec. 6039L.	Information required from qualified opportunity zone businesses and qualified rural opportunity zone businesses.''.

(B) The table of sections for part II of subchapter B of chapter 68 is amended by inserting after the item relating to section 6725 the following new item:

''Sec. 6726. Failure to comply with information reporting requirements relating to qualified opportunity funds and qualified rural opportunity funds.''.

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

(e) SECRETARY REPORTING OF DATA ON OPPORTUNITY ZONE AND RURAL OPPORTUNITY ZONE TAX INCENTIVES.—

(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated, out of any money in the Treasury not otherwise appropriated, $15,000,000, to remain available until September 30, 2028, for necessary expenses of the Internal Revenue Service to make the reports described in paragraph (2).

(2) REPORTS.—As soon as practical after the date of the enactment of this Act, and annually thereafter, the Secretary of the Treasury, or the Secretary's delegate (referred to in this section as the ''Secretary'') shall make publicly available a report on qualified opportunity funds.

(3) INFORMATION INCLUDED.—The report required under paragraph (2) shall include, to the extent available, the following information:

(A) The number of qualified opportunity funds.

(B) The aggregate dollar amount of assets held in qualified opportunity funds.

(C) The aggregate dollar amount of investments made by qualified opportunity funds in qualified opportunity fund property, stated separately for each North American Industry Classification System (NAICS) code.

(D) The percentage of population census tracts designated as qualified opportunity zones that have received qualified opportunity fund investments.

(E) For each population census tract designated as a qualified opportunity zone, the approximate average monthly number of full-time equivalent employees of the qualified opportunity zone businesses in such qualified opportunity zone for the preceding 12-month period (within numerical ranges identified by the Secretary) or such other indication of the employment impact of such qualified opportunity fund businesses as determined appropriate by the Secretary.

(F) The percentage of the total amount of investments made by qualified opportunity funds in—

(i) qualified opportunity zone property which is real property; and

(ii) other qualified opportunity zone property.

(G) For each population census tract, the aggregate approximate number of residential units resulting from investments made by qualified opportunity funds in real property.

(H) The aggregate dollar amount of investments made by qualified opportunity funds in each population census tract.

(4) ADDITIONAL INFORMATION.—

(A) IN GENERAL.—Beginning with the report submitted under paragraph (2) for the 6th year after the date of the enactment of this Act, the Secretary shall include in such report the impacts and outcomes of a designation of a population census tract as a qualified opportunity zone as measured by economic indicators, such as job creation, poverty reduction, new business starts, and other metrics as determined by the Secretary.

(B) SEMI-DECENNIAL INFORMATION.—

(i) IN GENERAL.—In the case of any report submitted under paragraph (2) in the 6th year or the 11th year after the date of the enactment of this Act, the Secretary shall include the following information:

(I) For population census tracts designated as a qualified opportunity zone, a comparison (based on aggregate information) of the factors listed in clause (iii) between the 5-year period ending on the date of the enactment of Public Law 115–97 and the most recent 5-year period for which data is available.

(II) For population census tracts designated as a qualified opportunity zone, a comparison (based on aggregate information) of the factors listed in clause (iii) for the most recent 5-year period for which data is available between such population census tracts and similar population census tracts that were not designated as a qualified opportunity zone.

(ii) CONTROL GROUPS.—For purposes of clause (i), the Secretary may combine population census tracts into such groups as the Secretary determines appropriate for purposes of making comparisons.

(iii) FACTORS LISTED.—The factors listed in this clause are the following:

(I) The unemployment rate.

(II) The number of persons working in the population census tract, including the percentage of such persons who were not residents in the population census tract in the preceding year.

(III) Individual, family, and household poverty rates.

(IV) Median family income of residents of the population census tract.

(V) Demographic information on residents of the population census tract, including age, income, education, race, and employment.

(VI) The average percentage of income of residents of the population census tract spent on rent annually.

(VII) The number of residences in the population census tract.

(VIII) The rate of home ownership in the population census tract.

(IX) The average value of residential property in the population census tract.

(X) The number of affordable housing units in the population census tract.

(XI) The number of new business starts in the population census tract.

(XII) The distribution of employees in the population census tract by North American Industry Classification System (NAICS) code.

(5) PROTECTION OF IDENTIFIABLE RETURN INFORMATION.—In making reports required under this subsection, the Secretary—

(A) shall establish appropriate procedures to ensure that any amounts reported do not disclose taxpayer return information that can be associated with any particular taxpayer or competitive or proprietary information, and

(B) if necessary to protect taxpayer return information, may combine information required with respect to individual population census tracts into larger geographic areas.

(6) DEFINITIONS.—Any term used in this subsection which is also used in subchapter Z of chapter 1 of the Internal Revenue Code of 1986 shall have the meaning given such term under such subchapter.

(7) REPORTS ON QUALIFIED RURAL OPPORTUNITY FUNDS.—The Secretary shall make publicly available, with respect to qualified rural opportunity funds, separate reports as required under this subsection, applied—

(A) by substituting ''qualified rural opportunity'' for ''qualified opportunity'' each place it appears,

(B) by substituting a reference to this Act for ''Public Law 115–97'', and

(C) by treating any reference (after the application of subparagraph (A)) to qualified rural opportunity zone stock, qualified rural opportunity zone partnership interest, qualified rural opportunity zone business, or qualified opportunity zone business property as stock, interest, business, or property, respectively, described in subclause (I) or (II), as the case may be, of section 1400Z–2(b)(2)(C)(i) of the Internal Revenue Code of 1986.

SEC. 70422. PERMANENT ENHANCEMENT OF LOW-INCOME HOUSING TAX CREDIT.

(a) PERMANENT STATE HOUSING CREDIT CEILING INCREASE FOR LOW-INCOME HOUSING CREDIT.—

(1) IN GENERAL.—Section 42(h)(3)(I) is amended—

(A) by striking ''2018, 2019, 2020, and 2021,'' and inserting ''beginning after December 31, 2025,'',

(B) by striking ''1.125'' and inserting ''1.12'', and

(C) by striking ''2018, 2019, 2020, AND 2021'' in the heading and inserting ''CALENDAR YEARS AFTER 2025''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to calendar years beginning after December 31, 2025.

(b) TAX-EXEMPT BOND FINANCING REQUIREMENT.—

(1) IN GENERAL.—Section 42(h)(4) is amended by striking subparagraph (B) and inserting the following:

''(B) SPECIAL RULE WHERE MINIMUM PERCENT OF BUILDINGS IS FINANCED WITH TAX-EXEMPT BONDS SUBJECT TO VOLUME CAP.—For purposes of subparagraph (A), paragraph (1) shall not apply to any portion of the credit allowable under subsection (a) with respect to a building if—

''(i) 50 percent or more of the aggregate basis of such building and the land on which the building is located is financed by 1 or more obligations described in subparagraph (A), or

''(ii)(I) 25 percent or more of the aggregate basis of such building and the land on which the building is located is financed by 1 or more obligations described in subparagraph (A), and

''(II) 1 or more of such obligations—

''(aa) are part of an issue the issue date of which is after December 31, 2025, and

''(bb) provide the financing for not less than 5 percent of the aggregate basis of such building and the land on which the building is located.''.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendment made by this subsection shall apply to buildings placed in service in taxable years beginning after December 31, 2025.

(B) REHABILITATION EXPENDITURES TREATED AS SEPARATE NEW BUILDING.—In the case of any building with respect to which any expenditures are treated as a separate new building under section 42(e) of the Internal Revenue Code of 1986, for purposes of subparagraph (A), both the existing building and the separate new building shall be treated as having been placed in service on the date such expenditures are treated as placed in service under section 42(e)(4) of such Code.

SEC. 70423. PERMANENT EXTENSION OF NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Section 45D(f)(1)(H) is amended by striking ''for for each of calendar years 2020 through 2025'' and inserting '' for each calendar year after 2019''.

(b) CARRYOVER OF UNUSED LIMITATION.—Section 45D(f)(3) is amended—

(1) by striking ''If the'' and inserting the following:

''(A) IN GENERAL.—If the'', and

(2) by striking the second sentence and inserting the following:

''(B) LIMITATION.—No amount may be carried under subparagraph (A) to any calendar

year afer the fifth calendar year after the calendar year in which the excess described in such subparagraph occurred. For purposes of this subparagraph, any excess described in subparagraph (A) with respect to any calendar year before 2026 shall be treated as occurring in calendar year 2025.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2025.

SEC. 70424. PERMANENT AND EXPANDED REINSTATEMENT OF PARTIAL DEDUCTION FOR CHARITABLE CONTRIBUTIONS OF INDIVIDUALS WHO DO NOT ELECT TO ITEMIZE.

(a) IN GENERAL.—Section 170(p) is amended—

(1) by striking ''$300 ($600'' and inserting ''$1,000 ($2,000'', and

(2) by striking ''beginning in 2021''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70425. 0.5 PERCENT FLOOR ON DEDUCTION OF CONTRIBUTIONS MADE BY INDIVIDUALS.

(a) IN GENERAL.—

(1) IN GENERAL.—Paragraph (1) of section 170(b) is amended by adding at the end the following new subparagraph:

''(I) 0.5-PERCENT FLOOR.—Any charitable contribution otherwise allowable (without regard to this subparagraph) as a deduction under this section shall be allowed only to the extent that the aggregate of such contributions exceeds 0.5 percent of the taxpayer's contribution base for the taxable year. The preceding sentence shall be applied—

''(i) first, by taking into account charitable contributions to which subparagraph (D) applies to the extent thereof,

''(ii) second, by taking into account charitable contributions to which subparagraph (C) applies to the extent thereof,

''(iii) third, by taking into account charitable contributions to which subparagraph (B) applies to the extent thereof,

''(iv) fourth, by taking into account charitable contributions to which subparagraph (E) applies to the extent thereof,

''(v) fifth, by taking into account charitable contributions to which subparagraph (A) applies to the extent thereof, and

''(vi) sixth, by taking into account charitable contributions to which subparagraph (G) applies to the extent thereof.''.

(2) APPLICATION OF CARRYFORWARD.—Paragraph (1) of section 170(d) is amended by adding at the end the following new subparagraph:

''(C) CONTRIBUTIONS DISALLOWED BY 0.5-PERCENT FLOOR CARRIED FORWARD ONLY FROM YEARS IN WHICH LIMITATION IS EXCEEDED.—

''(i) IN GENERAL.—In the case of any taxable year from which an excess is carried forward (determined without regard to this subparagraph) under any carryover rule, the applicable carryover rule shall be applied by increasing the excess determined under such applicable carryover rule for the contribution year (before the application of subparagraph (B)) by the amount attributable to the charitable contributions to which such rule applies which is not allowed as a deduction for the contribution year by reason of subsection (b)(1)(I).

''(ii) CARRYOVER RULE.—For purposes of this subparagraph, the term 'carryover rule' means—

''(I) subparagraph (A) of this paragraph,

''(II) subparagraphs (C)(ii), (D)(ii), (E)(ii), and (G)(ii) of subsection (b)(1), and

''(III) the second sentence of subsection (b)(1)(B).

''(iii) APPLICABLE CARRYOVER RULE.—For purposes of this subparagraph, the term 'applicable carryover rule' means any carryover rule applicable to charitable contributions which were (in whole or in part) not allowed as a deduction for the contribution year by reason of subsection (b)(1)(I).''.

(3) COORDINATION WITH DEDUCTION FOR NONITEMIZERS.—Section 170(p), as amended by this Act, is further amended by inserting '', (b)(1)(I),'' after ''subsections (b)(1)(G)(ii)''.

(b) MODIFICATION OF LIMITATION FOR CASH CONTRIBUTIONS.—

(1) IN GENERAL.—Clause (i) of section 170(b)(1)(G) is amended to read as follows:

''(i) IN GENERAL.—For taxable years beginning after December 31, 2017, any contribution of cash to an organization described in subparagraph (A) shall be allowed as a deduction under subsection (a) to the extent that the aggregate of such contributions does not exceed the excess of—

''(I) 60 percent of the taxpayer's contribution base for the taxable year, over

''(II) the aggregate amount of contributions taken into account under subparagraph (A) for such taxable year.''.

(2) COORDINATION WITH OTHER LIMITATIONS.—

(A) IN GENERAL.—Clause (iii) of section 170(b)(1)(G) is amended—

(i) by striking ''SUBPARAGRAPHS (A) AND (B)'' in the heading and inserting ''SUBPARAGRAPH (A)'', and

(ii) in subclause (II), by striking '', and subparagraph (B)'' and all that follows through ''this subparagraph''.

(B) OTHER CONTRIBUTIONS.—Subparagraph (B) of section 170(b)(1) is amended—

(i) by striking ''to which subparagraph (A)'' both places it appears and inserting ''to which subparagraph (A) or (G)'', and

(ii) in clause (ii), by striking ''over the amount'' and all that follows through ''subparagraph (C)).'' and inserting ''over—

''(I) the amount of charitable contributions allowable under subparagraph (A) (determined without regard to subparagraph (C)) and subparagraph (G), reduced by

''(II) so much of the contributions taken into account under subparagraph (G) as does not exceed 10 percent of the taxpayer's contribution base.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70426. 1-PERCENT FLOOR ON DEDUCTION OF CHARITABLE CONTRIBUTIONS MADE BY CORPORATIONS.

(a) IN GENERAL.—Section 170(b)(2)(A) is amended to read as follows:

''(A) IN GENERAL.—Any charitable contribution otherwise allowable (without regard to this subparagraph) as a deduction under this section for any taxable year, other than any contribution to which subparagraph (B) or (C) applies, shall be allowed only to the extent that the aggregate of such contributions—

''(i) exceeds 1 percent of the taxpayer's taxable income for the taxable year, and

''(ii) does not exceed 10 percent of the taxpayer's taxable income for the taxable year.''.

(b) APPLICATION OF CARRYFORWARD.—Section 170(d)(2) is amended to read as follows:

''(2) CORPORATIONS.—

''(A) IN GENERAL.—Any charitable contribution taken into account under subsection (b)(2)(A) for any taxable year which is not allowed as a deduction by reason of clause (ii) thereof shall be taken into account as a charitable contribution for the succeeding taxable year, except that, for purposes of determining under this subparagraph whether such contribution is allowed in such succeeding taxable year, contributions in such succeeding taxable year (determined without regard to this paragraph) shall be taken into account under subsection (b)(2)(A) before any contribution taken into account by reason of this paragraph.

''(B) 5-YEAR CARRYFORWARD.—No charitable contribution may be carried forward under subparagraph (A) to any taxable year following the fifth taxable year after the taxable year in which the charitable contribution was first taken into account. For purposes of the preceding sentence, contributions shall be treated as allowed on a first-in first-out basis.

''(C) CONTRIBUTIONS DISALLOWED BY 1-PERCENT FLOOR CARRIED FORWARD ONLY FROM YEARS IN WHICH 10 PERCENT LIMITATION IS EXCEEDED.—In the case of any taxable year from which a charitable contribution is carried forward under subparagraph (A) (determined without regard this subparagraph), subparagraph (A) shall be applied by substituting 'clause (i) or (ii)' for 'clause (ii)'.

''(D) SPECIAL RULE FOR NET OPERATING LOSS CARRYOVERS.—The amount of charitable contributions carried forward under subparagraph (A) shall be reduced to the extent that such carryfoward would (but for this subparagraph) reduce taxable income (as computed for purposes of the second sentence of section 172(b)(2)) and increase a net operating loss carryover under section 172 to a succeeding taxable year.''.

(c) CONFORMING AMENDMENTS.—Subparagraphs (B)(ii) and (C)(ii) of section 170(b)(2) are each amended by inserting ''other than subparagraph (C) thereof'' after ''subsection (d)(2)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70427. PERMANENT INCREASE IN LIMITATION ON COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended to read as follows:

''(1) $13.25, or''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2025.

SEC. 70428. NONPROFIT COMMUNITY DEVELOPMENT ACTIVITIES IN REMOTE NATIVE VILLAGES.

(a) IN GENERAL.—For purposes of subchapter F of chapter 1 of the Internal Revenue Code of 1986, any activity substantially related to participation or investment in fisheries in the Bering Sea and Aleutian Islands statistical and reporting areas (as described in Figure 1 of section 679 of title 50, Code of Federal Regulations) carried on by an entity identified in section 305(i)(1)(D) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(D)) (as in effect on the date of enactment of this section) shall be considered substantially related to the exercise or performance of the purpose constituting the basis of such entity's exemption under section 501(a) of such Code if the conduct of such activity is in furtherance of 1 or more of the purposes specified in section 305(i)(1)(A) of such Act (as so in effect). For purposes of this paragraph, activities substantially related to participation or investment in fisheries include the harvesting, processing, transportation, sales, and marketing of fish and fish products of the Bering Sea and Aleutian Islands statistical and reporting areas.

(b) APPLICATION TO CERTAIN WHOLLY OWNED SUBSIDIARIES.—If the assets of a trade or business relating to an activity described in subsection (a) of any subsidiary wholly owned by an entity identified in section 305(i)(1)(D) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(D)) (as in effect on the date of enactment of this section) are transferred to such entity (including in liquidation of such subsidiary) not later than 18 months after the date of the enactment of this Act—

(1) no gain or income resulting from such transfer shall be recognized to either such subsidiary or such entity under such Code, and

(2) all income derived from such subsidiary from such transferred trade or business shall be exempt from taxation under such Code.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act and shall remain effective during the existence of the western Alaska community development quota program established by Section 305(i)(1) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)), as amended.

SEC. 70429. ADJUSTMENT OF CHARITABLE DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) IN GENERAL.—Section 170(n)(1) of the Internal Revenue Code of 1986 is amended by striking ''$10,000'' and inserting ''$50,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70430. EXCEPTION TO PERCENTAGE OF COMPLETION METHOD OF ACCOUNTING FOR CERTAIN RESIDENTIAL CONSTRUCTION CONTRACTS.

(a) IN GENERAL.—Section 460(e) is amended—

(1) in paragraph (1)—

(A) by striking ''home construction contract'' both places it appears and inserting ''residential construction contract'', and

(B) by inserting ''(determined by substituting '3-year' for '2-year' in subparagraph (B)(i) for any residential construction contract which is not a home construction contract)'' after ''the requirements of clauses (i) and (ii) of subparagraph (B)'',

(2) by striking paragraph (4) and redesignating paragraph (5) as paragraph (4), and

(3) in subparagraph (A) of paragraph (4), as so redesignated, by striking ''paragraph (4)'' and inserting ''paragraph (3)''.

(b) APPLICATION OF EXCEPTION FOR PURPOSES OF ALTERNATIVE MINIMUM TAX.—Section 56(a)(3) is amended by striking ''any home construction contract (as defined in section 460(e)(6))'' and inserting ''any residential construction contract (as defined in section 460(e)(4))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contracts entered into in taxable years beginning after the date of the enactment of this Act.

Subchapter D—Permanent Investments in Small Business and Rural America

SEC. 70431. EXPANSION OF QUALIFIED SMALL BUSINESS STOCK GAIN EXCLUSION.

(a) PHASED INCREASE IN EXCLUSION FOR GAIN FROM QUALIFIED SMALL BUSINESS STOCK.—

(1) IN GENERAL.—Section 1202(a)(1) is amended to read as follows:

''(1) IN GENERAL.— In the case of a taxpayer other than a corporation, gross income shall not include—

''(A) except as provided in paragraphs (3) and (4), 50 percent of any gain from the sale or exchange of qualified small business stock acquired on or before the applicable date and held for more than 5 years, and

''(B) the applicable percentage of any gain from the sale or exchange of qualified small business stock acquired after the applicable date and held for at least 3 years.''.

(2) APPLICABLE PERCENTAGE.—Section 1202(a) is amended by adding at the end the following new paragraph:

''(5) APPLICABLE PERCENTAGE.—The applicable percentage under paragraph (1) shall be determined under the following table:

''Years stock held:	Applicable percentage:
3 years	50%
4 years	75%
5 years or more	100%''.

(3) APPLICABLE DATE; ACQUISITION DATE.—Section 1202(a), as amended by paragraph (2), is amended by adding at the end the following new paragraph:

''(6) APPLICABLE DATE; ACQUISITION DATE.—For purposes of this section—

''(A) APPLICABLE DATE.—The term 'applicable date' means the date of the enactment of this paragraph.

''(B) ACQUISITION DATE.—In the case of any stock which would (but for this paragraph) be treated as having been acquired before, on, or after the applicable date, whichever is applicable, the acquisition date for purposes of this section shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.''.

(4) CONTINUED TREATMENT AS NOT ITEM OF TAX PREFERENCE.—

(A) IN GENERAL.—Section 57(a)(7) is amended by striking ''An amount'' and inserting ''In the case of stock acquired on or before the date of the enactment of the Creating Small Business Jobs Act of 2010, an amount''.

(B) CONFORMING AMENDMENT.—Section 1202(a)(4) is amended—

(i) by striking '', and'' at the end of subparagraph (B) and inserting a period, and

(ii) by striking subparagraph (C).

(5) OTHER CONFORMING AMENDMENTS.—

(A) Paragraphs (3)(A) and (4)(A) of section 1202(a) are each amended by striking ''paragraph (1)'' and inserting ''paragraph (1)(A)''.

(B) Paragraph (4)(A) of section 1202(a) is amended by inserting ''and on or before the applicable date'' after ''2010''.

(C) Sections 1202(b)(2), 1202(g)(2)(A), and 1202(j)(1)(A) are each amended by striking ''more than 5 years'' and inserting ''at least 3 years (more than 5 years in the case of stock acquired on or before the applicable date)''.

(6) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

(B) CONTINUED TREATMENT AS NOT ITEM OF TAX PREFERENCE.—The amendments made by paragraph (4) shall take effect as if included in the enactment of section 2011 of the Creating Small Business Jobs Act of 2010.

(b) INCREASE IN PER ISSUER LIMITATION.—

(1) IN GENERAL.—Subparagraph (A) of section 1202(b)(1) is amended to read as follows:

''(A) the applicable dollar limit for the taxable year, or''.

(2) APPLICABLE DOLLAR LIMIT.—Section 1202(b) is amended by adding at the end the following:

''(4) APPLICABLE DOLLAR LIMIT.—For purposes of paragraph (1)(A), the applicable dollar limit for any taxable year with respect to eligible gain from 1 or more dispositions by a taxpayer of qualified business stock of a corporation is—

''(A) if such stock was acquired by the taxpayer on or before the applicable date, $10,000,000, reduced by the aggregate amount of eligible gain taken into account by the taxpayer under subsection (a) for prior taxable years and attributable to dispositions of stock issued by such corporation and acquired by the taxpayer before, on, or after the applicable date, and

''(B) if such stock was acquired by the taxpayer after the applicable date, $15,000,000, reduced by the sum of—

''(i) the aggregate amount of eligible gain taken into account by the taxpayer under subsection (a) for prior taxable years and attributable to dispositions of stock issued by such corporation and acquired by the taxpayer before, on, or after the applicable date, plus

''(ii) the aggregate amount of eligible gain taken into account by the taxpayer under subsection (a) for the taxable year and attributable to dispositions of stock issued by such corporation and acquired by the taxpayer on or before the applicable date.

''(5) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2026, the $15,000,000 amount in paragraph (4)(B) shall be increased by an amount equal to —

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any increase under this subparagraph is not a multiple of $10,000, such increase shall be rounded to the nearest multiple of $10,000.

''(B) NO INCREASE ONCE LIMIT REACHED.—If, for any taxable year, the eligible gain attributable to dispositions of stock issued by a corporation and acquired by the taxpayer after the applicable date exceeds the applicable dollar limit, then notwithstanding any increase under subparagraph (A) for any subsequent taxable year, the applicable dollar limit for such subsequent taxable year shall be zero.''.

(3) SEPARATE RETURNS.—Subparagraph (A) of section 1202(b)(3) is amended to read as follows:

''(A) SEPARATE RETURNS.—In the case of a separate return by a married individual for any taxable year—

''(i) paragraph (4)(A) shall be applied by substituting '$5,000,000' for '$10,000,000', and

''(ii) paragraph (4)(B) shall be applied by substituting one-half of the dollar amount in effect under such paragraph for the taxable year for the amount so in effect.''.

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

(c) INCREASE IN LIMIT IN AGGREGATE GROSS ASSETS.—

(1) IN GENERAL.—Subparagraphs (A) and (B) of section 1202(d)(1) are each amended by striking ''$50,000,000'' and inserting ''$75,000,000''.

(2) INFLATION ADJUSTMENT.—Section 1202(b) is amended by adding at the end the following:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 2026, the $75,000,000 amounts in paragraphs (1)(A) and (1)(B) shall each be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

If any increase under this paragraph is not a multiple of $10,000, such increase shall be rounded to the nearest multiple of $10,000.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to stock issued after the date of the enactment of this Act.

SEC. 70432. REPEAL OF REVISION TO DE MINIMIS RULES FOR THIRD PARTY NETWORK TRANSACTIONS.

(a) REINSTATEMENT OF EXCEPTION FOR DE MINIMIS PAYMENTS AS IN EFFECT PRIOR TO ENACTMENT OF AMERICAN RESCUE PLAN ACT OF 2021.—

(1) IN GENERAL.—Section 6050W(e) is amended to read as follows:

''(e) EXCEPTION FOR DE MINIMIS PAYMENTS BY THIRD PARTY SETTLEMENT ORGANIZATIONS.—A third party settlement organization shall be required to report any information under subsection (a) with respect to third party network transactions of any participating payee only if—

''(1) the amount which would otherwise be reported under subsection (a)(2) with respect to such transactions exceeds $20,000, and

''(2) the aggregate number of such transactions exceeds 200.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in section 9674 of the American Rescue Plan Act.

(b) APPLICATION OF DE MINIMIS RULE FOR THIRD PARTY NETWORK TRANSACTIONS TO BACKUP WITHHOLDING.—

(1) IN GENERAL.—Section 3406(b) is amended by adding at the end the following new paragraph:

''(8) OTHER REPORTABLE PAYMENTS INCLUDE PAYMENTS IN SETTLEMENT OF THIRD PARTY NETWORK TRANSACTIONS ONLY WHERE AGGREGATE TRANSACTIONS EXCEED REPORTING THRESHOLD FOR THE CALENDAR YEAR.—

''(A) IN GENERAL.—Any payment in settlement of a third party network transaction required to be shown on a return required under section 6050W which is made during any calendar year shall be treated as a reportable payment only if—

''(i) the aggregate number of transactions with respect to the participating payee during such calendar year exceeds the number of transactions specified in section 6050W(e)(2), and

''(ii) the aggregate amount of transactions with respect to the participating payee during such calendar year exceeds the dollar amount specified in section 6050W(e)(1) at the time of such payment.

''(B) EXCEPTION IF THIRD PARTY NETWORK TRANSACTIONS MADE IN PRIOR YEAR WERE REPORTABLE.—Subparagraph (A) shall not apply with respect to payments to any participating payee during any calendar year if one or more payments in settlement of third party network transactions made by the payor to the participating payee during the preceding calendar year were reportable payments.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to calendar years beginning after December 31, 2024.

SEC. 70433. INCREASE IN THRESHOLD FOR REQUIRING INFORMATION REPORTING WITH RESPECT TO CERTAIN PAYEES.

(a) IN GENERAL.—Section 6041(a) is amended by striking ''$600'' and inserting ''$2,000''.

(b) INFLATION ADJUSTMENT.—Section 6041 is amended by adding at the end the following new subsection:

''(h) INFLATION ADJUSTMENT.—In the case of any calendar year after 2026, the dollar amount in subsection (a) shall be increased by an amount equal to—

''(1) such dollar amount, multiplied by

''(2) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(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.''.

(c) APPLICATION TO REPORTING ON REMUNERATION FOR SERVICES.—Section 6041A(a)(2) is amended by striking ''is $600 or more'' and inserting ''equals or exceeds the dollar amount in effect for such calendar year under section 6041(a)''.

(d) APPLICATION TO BACKUP WITHHOLDING.—Section 3406(b)(6) is amended—

(1) by striking ''$600'' in subparagraph (A) and inserting ''the dollar amount in effect for such calendar year under section 6041(a)'', and

(2) by striking ''ONLY WHERE AGGREGATE FOR CALENDAR YEAR IS $600 OR MORE'' in the heading and inserting ''ONLY WHERE IN EXCESS OF THRESHOLD''.

(e) CONFORMING AMENDMENTS.—

(1) The heading of section 6041(a) is amended by striking ''OF $600 OR MORE'' and inserting ''EXCEEDING THRESHOLD''.

(2) Section 6041(a) is amended by striking ''taxable year'' and inserting ''calendar year''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to payments made after December 31, 2025.

SEC. 70434. TREATMENT OF CERTAIN QUALIFIED SOUND RECORDING PRODUCTIONS.

(a) ELECTION TO TREAT COSTS AS EXPENSES.—Section 181(a)(1) is amended by striking ''qualified film or television production, and any qualified live theatrical production,'' and inserting ''qualified film or television production, any qualified live theatrical production, and any qualified sound recording production''.

(b) DOLLAR LIMITATION.—Section 181(a)(2) is amended by adding at the end the following new subparagraph:

''(C) QUALIFIED SOUND RECORDING PRODUCTION.—Paragraph (1) shall not apply to so much of the aggregate cost of any qualified sound recording production, or to so much of the aggregate, cumulative cost of all such qualified sound recording productions in the taxable year, as exceeds $150,000.''.

(c) NO OTHER DEDUCTION OR AMORTIZATION DEDUCTION ALLOWABLE.—Section 181(b) is amended by striking ''qualified film or television production or any qualified live theatrical production'' and inserting ''qualified film or television production, any qualified live theatrical production, or any qualified sound recording production''.

(d) ELECTION.—Section 181(c)(1) is amended by striking ''qualified film or television production or any qualified live theatrical production'' and inserting ''qualified film or television production, any qualified live theatrical production, or any qualified sound recording production''.

(e) QUALIFIED SOUND RECORDING PRODUCTION DEFINED.—Section 181 is amended by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

''(f) QUALIFIED SOUND RECORDING PRODUCTION.—For purposes of this section, the term 'qualified sound recording production' means a sound recording (as defined in section 101 of title 17, United States Code) produced and recorded in the United States.''.

(f) APPLICATION OF TERMINATION.—Section 181(h), as redesignated by subsection (e), is amended by striking ''qualified film and television productions or qualified live theatrical productions'' and inserting ''qualified film and television productions, qualified live theatrical productions, or qualified sound recording productions''.

(g) BONUS DEPRECIATION.—

(1) QUALIFIED SOUND RECORDING PRODUCTION AS QUALIFIED PROPERTY.—Section 168(k)(2)(A)(i) is amended—

(A) by striking ''or'' at the end of subclause (IV), by inserting ''or'' at the end of subclause (V), and by inserting after subclause (V) the following:

''(VI) which is a qualified sound recording production (as defined in subsection (f) of section 181) for which a deduction would have been allowable under section 181 without regard to subsections (a)(2) and (h) of such section or this subsection, and'', and

(B) in subclauses (IV) and (V) (as so amended) by striking ''without regard to subsections (a)(2) and (g)'' both places it appears and inserting ''without regard to subsections (a)(2) and (h)''.

(2) PRODUCTION PLACED IN SERVICE.—Section 168(k)(2)(H) 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 after clause (ii) the following:

''(iii) a qualified sound recording production shall be considered to be placed in service at the time of initial release or broadcast.''.

(h) CONFORMING AMENDMENTS.—

(1) The heading for section 181 is amended to read as follows: ''**TREATMENT OF CERTAIN QUALIFIED PRODUCTIONS**.''.

(2) The table of sections for part VI of subchapter B of chapter 1 is amended by striking the item relating to section 181 and inserting the following new item:

''Sec. 181. Treatment of certain qualified productions.''.

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

SEC. 70435. EXCLUSION OF INTEREST ON LOANS SECURED BY RURAL OR AGRICULTURAL REAL PROPERTY.

(a) IN GENERAL.—Part III of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by inserting after section 139K the following new section:

''SEC. 139L. INTEREST ON LOANS SECURED BY RURAL OR AGRICULTURAL REAL PROPERTY.

''(a) IN GENERAL.—Gross income shall not include 25 percent of the interest received by a qualified lender on any qualified real estate loan.

''(b) QUALIFIED LENDER.—For purposes of this section, the term 'qualified lender' means—

''(1) any bank or savings association the deposits of which are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.),

''(2) any State- or federally-regulated insurance company,

''(3) any entity wholly owned, directly or indirectly, by a company that is treated as a bank holding company for purposes of section 8 of the International Banking Act of 1978 (12 U.S.C. 3106) if—

''(A) such entity is organized, incorporated, or established under the laws of the United States or any State, and

''(B) the principal place of business of such entity is in the United States (including any territory of the United States),

''(4) any entity wholly owned, directly or indirectly, by a company that is considered an insurance holding company under the laws of any State if such entity satisfies the requirements described in subparagraphs (A) and (B) of paragraph (3), and

''(5) with respect to interest received on a qualified real estate loan secured by real estate described in subsection (c)(3)(A), any federally chartered instrumentality of the United States established under section 8.1(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-1(a)).

''(c) QUALIFIED REAL ESTATE LOAN.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified real estate loan' means any loan—

''(A) secured by—

''(i) rural or agricultural real estate, or

''(ii) a leasehold mortgage (with a status as a lien) on rural or agricultural real estate,

''(B) made to a person other than a specified foreign entity (as defined in section 7701(a)(51)), and

''(C) made after the date of the enactment of this section.

For purposes of the preceding sentence, the determination of whether property securing such loan is rural or agricultural real estate shall be made as of the time the interest income on such loan is accrued.

''(2) REFINANCINGS.—For purposes of subparagraphs (A) and (C) of paragraph (1), a loan shall not be treated as made after the date of the enactment of this section to the extent that the proceeds of such loan are used to refinance a loan which was made on or before the date of the enactment of this section (or, in the case of any series of refinancings, the original loan was made on or before such date).

''(3) RURAL OR AGRICULTURAL REAL ESTATE.—The term 'rural or agricultural real estate' means—

''(A) any real property which is substantially used for the production of one or more agricultural products,

''(B) any real property which is substantially used in the trade or business of fishing or seafood processing, and

''(C) any aquaculture facility.

Such term shall not include any property which is not located in a State or a possession of the United States.

''(4) AQUACULTURE FACILITY.—The term 'aquaculture facility' means any land, structure, or other appurtenance that is used for aquaculture (including any hatchery, rearing pond, raceway, pen, or incubator).

''(d) COORDINATION WITH SECTION 265.—In the case of any qualified real estate loan, section 265 shall be applied—

''(1) by treating any qualified real estate loan for purposes of subsection (a)(2) thereof as an obligation the interest on which is wholly exempt from the taxes imposed by this subtitle,

''(2) by substituting '25 percent of the interest on indebtedness' for 'Interest on indebtedness' in such subsection (a)(2),

''(3) by treating 25 percent of the adjusted basis of any qualified real estate loan as adjusted basis of a tax-exempt obligation described in subsection (b)(4)(B) thereof, and

''(4) by substituting '25 percent of the amount of such indebtedness' for 'the amount of such indebtedness' in subsection (b)(6)(A)(a)(ii) thereof.''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1, as amended by the preceding provisions of this Act, is amended by inserting after the item relating to section 139K the following new item:

''Sec. 139L. Interest on loans secured by rural or agricultural real property.''.

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

SEC. 70436. REDUCTION OF TRANSFER AND MANUFACTURING TAXES FOR CERTAIN DEVICES.

(a) TRANSFER TAX.—Section 5811(a) is amended to read as follows:

''(a) RATE.—There shall be levied, collected, and paid on firearms transferred a tax at the rate of—

''(1) $200 for each firearm transferred in the case of a machinegun or a destructive device, and

''(2) $0 for any firearm transferred which is not described in paragraph (1).''.

(b) MAKING TAX.—Section 5821(a) is amended to read as follows:

''(a) RATE.—There shall be levied, collected, and paid upon the making of a firearm a tax at the rate of—

''(1) $200 for each firearm made in the case of a machinegun or a destructive device, and

''(2) $0 for any firearm made which is not described in paragraph (1).''.

(c) CONFORMING AMENDMENT.—Section 4182(a) is amended by adding at the end the following: ''For purposes of the preceding sentence, any firearm described in section 5811(a)(2) shall be deemed to be a firearm on which the tax provided by section 5811 has been paid.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar quarters beginning more than 90 days after the date of the enactment of this Act.

SEC. 70437. TREATMENT OF CAPITAL GAINS FROM THE SALE OF CERTAIN FARMLAND PROPERTY.

(a) IN GENERAL.—Part IV of subchapter O of chapter 1 is amended by redesignating section 1062 as section 1063 and by inserting after section 1061 the following new section:

''SEC. 1062. GAIN FROM THE SALE OR EXCHANGE OF QUALIFIED FARMLAND PROPERTY TO QUALIFIED FARMERS.

''(a) ELECTION TO PAY TAX IN INSTALLMENTS.—In the case of gain from the sale or exchange of qualified farmland property to a qualified farmer, at the election of the taxpayer, the portion of the net income tax of such taxpayer for the taxable year of the sale or exchange which is equal to the applicable net tax liability shall be paid in 4 equal installments.

''(b) RULES RELATING TO INSTALLMENT PAYMENTS.—

''(1) DATE FOR PAYMENT OF INSTALLMENTS.—If an election is made under subsection (a), 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 in which the sale or exchange occurs 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.

''(2) ACCELERATION OF PAYMENT.—

''(A) IN GENERAL.—If there is an addition to tax for failure to timely pay any installment required under this section, then the unpaid portion of all remaining installments shall be due on the date of such failure.

''(B) INDIVIDUALS.—In the case of an individual, if the individual dies, then the unpaid portion of all remaining installment shall be paid on the due date for the return of tax for the taxable year in which the taxpayer dies.

''(C) C CORPORATIONS.—In the case of a taxpayer which is a C corporation, trust, or estate, if there is 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 (in the case of a C corporation), 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). The preceding sentence shall not apply to the sale of substantially all the assets of a taxpayer to a buyer if such buyer enters into an agreement with the Secretary under which such buyer is liable for the remaining installments due under this subsection in the same manner as if such buyer were the taxpayer.

''(3) PRORATION OF DEFICIENCY TO INSTALLMENTS.—If an election is made under subsection (a) to pay the applicable net tax liability in installments and a deficiency has been assessed with respect to such applicable net tax liability, the deficiency shall be prorated to the installments payable under subsection (a). The part of the deficiency 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 deficiency so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary. This section 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.

''(c) ELECTION.—

''(1) IN GENERAL.—Any election under subsection (a) shall be made not later than the due date for the return of tax for the taxable year described in subsection (a).

''(2) PARTNERSHIPS AND S CORPORATIONS.—In the case of a sale or exchange described in subsection (a) by a partnership or S corporation, the election under subsection (a) shall be made at the partner or shareholder level. The Secretary may prescribe such regulations or other guidance as necessary to carry out the purposes of this paragraph.

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

''(1) APPLICABLE NET TAX LIABILITY.—

''(A) IN GENERAL.—The applicable net tax liability with respect to the sale or exchange of any property described in subsection (a) 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 without regard to any gain recognized from the sale or exchange of such property.

''(B) NET INCOME TAX.—The term 'net income tax' means the regular tax liability reduced by the credits allowed under subparts A, B, and D of part IV of subchapter A.

''(2) QUALIFIED FARMLAND PROPERTY.—

''(A) IN GENERAL.—The term 'qualified farmland property' means real property located in the United States—

''(i) which—

''(I) has been used by the taxpayer as a farm for farming purposes, or

''(II) leased by the taxpayer to a qualified farmer for farming purposes,

during substantially all of the 10-year period ending on the date of the qualified sale or exchange, and

''(ii) which is subject to a covenant or other legally enforceable restriction which prohibits the use of such property other than as a farm for farming purposes for any period before the date that is 10 years after the date of the sale or exchange described in subsection (a).

For purposes of clause (i), property which is used or leased by a partnership or S corporation in a manner described in such clause shall be treated as used or leased in such manner by each person who holds a direct or indirect interest in such partnership or S corporation.

''(B) FARM; FARMING PURPOSES.—The terms 'farm' and 'farming purposes' have the respective meanings given such terms under section 2032A(e).

''(3) QUALIFIED FARMER.—The term 'qualified farmer' means any individual who is actively engaged in farming (within the meaning of subsections (b) and (c) of section 1001 of the Food Security Act of 1986 (7 U.S.C. 1308–1(b) and (c))).

''(e) RETURN REQUIREMENT.—A taxpayer making an election under subsection (a) shall include with the return for the taxable year of the sale or exchange described in subsection (a) a copy of the covenant or other legally enforceable restriction described in subsection (d)(2)(A)(ii).''.

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter O of chapter 1 is amended by redesignating the item relating to section 1062 as relating to section 1063 and by inserting after the item relating to section 1061 the following new item:

''Sec. 1062. Gain from the sale or exchange of qualified farmland property to qualified farmers.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges in taxable years beginning after the date of the enactment of this Act.

SEC. 70438. EXTENSION OF RULES FOR TREATMENT OF CERTAIN DISASTER-RELATED PERSONAL CASUALTY LOSSES.

For purposes of applying section 304(b) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (division EE of Public Law 116–260), section 301 of such Act shall be applied by substituting the date of the enactment of this section for ''the date of the enactment of this Act'' each place it appears.

SEC. 70439. RESTORATION OF TAXABLE REIT SUBSIDIARY ASSET TEST.

(a) IN GENERAL.—Section 856(c)(4)(B)(ii) is amended by striking ''20 percent'' and inserting ''25 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

CHAPTER 5—ENDING GREEN NEW DEAL SPENDING, PROMOTING AMERICA-FIRST ENERGY, AND OTHER REFORMS

Subchapter A—Termination of Green New Deal Subsidies

SEC. 70501. TERMINATION OF PREVIOUSLY-OWNED CLEAN VEHICLE CREDIT.

Section 25E(g) is amended by striking ''December 31, 2032'' and inserting ''September 30, 2025''.

SEC. 70502. TERMINATION OF CLEAN VEHICLE CREDIT.

(a) IN GENERAL.—Section 30D(h) is amended by striking ''placed in service after December 31, 2032'' and inserting ''acquired after September 30, 2025''.

(b) CONFORMING AMENDMENTS.—Section 30D(e) is amended—

(1) in paragraph (1)(B)—

(A) in clause (iii), by inserting ''and'' after the comma at the end,

(B) in clause (iv), by striking '', and'' and inserting a period, and

(C) by striking clause (v), and

(2) in paragraph (2)(B)—

(A) in clause (ii), by inserting ''and'' after the comma at the end,

(B) in clause (iii), by striking the comma at the end and inserting a period, and

(C) by striking clauses (iv) through (vi).

SEC. 70503. TERMINATION OF QUALIFIED COMMERCIAL CLEAN VEHICLES CREDIT.

Section 45W(g) is amended by striking ''December 31, 2032'' and inserting ''September 30, 2025''.

SEC. 70504. TERMINATION OF ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

Section 30C(i) is amended by striking ''December 31, 2032'' and inserting ''June 30, 2026''.

SEC. 70505. TERMINATION OF ENERGY EFFICIENT HOME IMPROVEMENT CREDIT.

(a) IN GENERAL.—Section 25C(h) is amended by striking ''placed in service'' and all that follows through ''December 31, 2032'' and inserting ''placed in service after December 31, 2025''.

(b) CONFORMING AMENDMENT.—Section 25C(d)(2)(C) is amended to read as follows:

''(C) Any oil furnace or hot water boiler which—

''(i) meets or exceeds 2021 Energy Star efficiency criteria, and

''(ii) is rated by the manufacturer for use with fuel blends at least 20 percent of the volume of which consists of an eligible fuel.''.

SEC. 70506. TERMINATION OF RESIDENTIAL CLEAN ENERGY CREDIT.

(a) IN GENERAL.—Section 25D(h) is amended by striking ''to property placed in service after December 31, 2034'' and inserting ''with respect to any expenditures made after December 31, 2025''.

(b) CONFORMING AMENDMENTS.—Section 25D(g) is amended—

(1) in paragraph (2), by inserting ''and'' after the comma at the end,

(2) in paragraph (3), by striking '' and before January 1, 2033, 30 percent,'' and inserting ''30 percent.'', and

(3) by striking paragraphs (4) and (5).

SEC. 70507. TERMINATION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Section 179D is amended by adding at the end the following new subsection:

''(i) TERMINATION.—This section shall not apply with respect to property the construction of which begins after June 30, 2026.''.

SEC. 70508. TERMINATION OF NEW ENERGY EFFICIENT HOME CREDIT.

Section 45L(h) is amended by striking ''December 31, 2032'' and inserting ''June 30, 2026''.

SEC. 70509. TERMINATION OF COST RECOVERY FOR ENERGY PROPERTY.

(a) ENERGY PROPERTY.—Section 168(e)(3)(B)(vi), as amended by section 13703 of Public Law 117–169, is amended—

(1) by striking subclause (I), and

(2) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to property the construction of which begins after December 31, 2024.

SEC. 70510. MODIFICATIONS OF ZERO-EMISSION NUCLEAR POWER PRODUCTION CREDIT.

(a) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45U(c) is amended by adding at the end the following new paragraph:

''(3) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year beginning after the date of enactment of this paragraph if the taxpayer is a specified foreign entity (as defined in section 7701(a)(51)(B)).

''(B) OTHER PROHIBITED FOREIGN ENTITIES.—No credit shall be determined under subsection (a) for any taxable year beginning after the date which is 2 years after the date of enactment of this paragraph if the taxpayer is a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).''.

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

SEC. 70511. TERMINATION OF CLEAN HYDROGEN PRODUCTION CREDIT.

Section 45V(c)(3)(C) is amended by striking ''January 1, 2033'' and inserting ''January 1, 2028''.

SEC. 70512. TERMINATION AND RESTRICTIONS ON CLEAN ELECTRICITY PRODUCTION CREDIT.

(a) TERMINATION FOR WIND AND SOLAR FACILITIES.—Section 45Y(d) is amended—

(1) in paragraph (1), by striking ''The amount of'' and inserting ''Subject to paragraph (4), the amount of'', and

(2) by striking paragraph (3) and inserting the following new paragraphs:

''(3) APPLICABLE YEAR.—For purposes of this subsection, the term 'applicable year' means calendar year 2032.

''(4) TERMINATION FOR WIND AND SOLAR FACILITIES.—

''(A) IN GENERAL.—This section shall not apply with respect to any applicable facility placed in service after December 31, 2027.

''(B) APPLICABLE FACILITY.—For purposes of this paragraph, the term 'applicable facility' means a qualified facility which—

''(i) uses wind to produce electricity (within the meaning of such term as used in section 45(d)(1), as determined without regard to any requirement under such section with respect to the date on which construction of property begins), or

''(ii) uses solar energy to produce electricity (within the meaning of such term as used in section 45(d)(4), as determined without regard to any requirement under such section with respect to the date on which construction of property begins).''.

(b) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45Y is amended—

(1) in subsection (b)(1), by adding at the end the following new subparagraph:

''(E) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The term 'qualified facility' shall not include any facility for which construction begins after December 31, 2025, if the construction of such facility includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).'', and

(2) in subsection (g), by adding at the end the following new paragraph:

''(13) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to a qualified facility described in subsection (b)(1).''.

(c) DEFINITIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 7701(a) is amended by adding at the end the following new paragraphs:

''(51) PROHIBITED FOREIGN ENTITY.—

''(A) IN GENERAL.—

''(i) DEFINITION.—The term 'prohibited foreign entity' means a specified foreign entity or a foreign-influenced entity.

''(ii) DETERMINATION.—

''(I) IN GENERAL.—Subject to subclause (II), for any taxable year, the determination as to whether an entity is a specified foreign entity or foreign-influenced entity shall be made as of the last day of such taxable year.

''(II) INITIAL TAXABLE YEAR.—For purposes of the first taxable year beginning after the date of enactment of this paragraph, the determination as to whether an entity is a specified foreign entity described in clauses (i) through (iv) of subparagraph (B) shall be made as of the first day of such taxable year.

''(B) SPECIFIED FOREIGN ENTITY.—For purposes of this paragraph, the term 'specified foreign entity' means—

''(i) a foreign entity of concern described in subparagraph (A), (B), (D), or (E) of section 9901(8) of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283; 15 U.S.C. 4651),

''(ii) an entity identified as a Chinese military company operating in the United States in accordance with section 1260H of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283; 10 U.S.C. 113 note),

''(iii) an entity included on a list required by clause (i), (ii), (iv), or (v) of section 2(d)(2)(B) of Public Law 117–78 (135 Stat. 1527),

''(iv) an entity specified under section 154(b) of the National Defense Authorization

Act for Fiscal Year 2024 (Public Law 118–31; 10 U.S.C. note prec. 4651), or

''(v) a foreign-controlled entity.

''(C) FOREIGN-CONTROLLED ENTITY.—For purposes of subparagraph (B), the term 'foreign-controlled entity' means—

''(i) the government (including any level of government below the national level) of a covered nation,

''(ii) an agency or instrumentality of a government described in clause (i),

''(iii) a person who is a citizen or national of a covered nation, provided that such person is not an individual who is a citizen, national, or lawful permanent resident of the United States,

''(iv) an entity or a qualified business unit (as defined in section 989(a)) incorporated or organized under the laws of, or having its principal place of business in, a covered nation, or

''(v) an entity (including subsidiary entities) controlled (as determined under subparagraph (G)) by an entity described in clause (i), (ii), (iii), or (iv).

''(D) FOREIGN-INFLUENCED ENTITY.—

''(i) IN GENERAL.—For purposes of subparagraph (A), the term 'foreign-influenced entity' means an entity—

''(I) with respect to which, during the taxable year—

''(aa) a specified foreign entity has the direct authority to appoint a covered officer of such entity,

''(bb) a single specified foreign entity owns at least 25 percent of such entity,

''(cc) one or more specified foreign entities own in the aggregate at least 40 percent of such entity, or

''(dd) at least 15 percent of the debt of such entity has been issued, in the aggregate, to 1 or more specified foreign entities, or

''(II) which, during the previous taxable year, made a payment to a specified foreign entity pursuant to a contract, agreement, or other arrangement which entitles such specified foreign entity (or an entity related to such specified foreign entity) to exercise effective control over—

''(aa) any qualified facility or energy storage technology of the taxpayer (or any person related to the taxpayer), or

''(bb) with respect to any eligible component produced by the taxpayer (or any person related to the taxpayer)—

''(AA) the extraction, processing, or recycling of any applicable critical mineral, or

''(BB) the production of an eligible component which is not an applicable critical mineral.

''(ii) EFFECTIVE CONTROL.—

''(I) IN GENERAL.—

''(aa) GENERAL RULE.—Subject to subclause (II), for purposes of clause (i)(II), the term 'effective control' means 1 or more agreements or arrangements similar to those described in subclauses (II) and (III) which provide 1 or more contractual counterparties of a taxpayer with specific authority over key aspects of the production of eligible components, energy generation in a qualified facility, or energy storage which are not included in the measures of control through authority, ownership, or debt held which are described in clause (i)(I).

''(bb) GUIDANCE.—The Secretary shall issue such guidance as is necessary to carry out the purposes of this clause, including the establishment of rules to prevent entities from evading, circumventing, or abusing the application of the restrictions described subparagraph (C) and subclauses (II) and (III) of this clause through a contract, agreement, or other arrangement.

''(II) APPLICATION OF RULES PRIOR TO ISSUANCE OF GUIDANCE.—During any period prior to the date that the guidance described in subclause (I)(bb) is issued by the Secretary, for purposes of clause (i)(II), the term 'effective control' means the unrestricted contractual right of a contractual counterparty to—

''(aa) determine the quantity or timing of production of an eligible component produced by the taxpayer,

''(bb) determine the amount or timing of activities related to the production of electricity undertaken at a qualified facility of the taxpayer or the storage of electrical energy in energy storage technology of the taxpayer,

''(cc) determine which entity may purchase or use the output of a production unit of the taxpayer that produces eligible components,

''(dd) determine which entity may purchase or use the output of a qualified facility of the taxpayer,

''(ee) restrict access to data critical to production or storage of energy undertaken at a qualified facility of the taxpayer, or to the site of production or any part of a qualified facility or energy storage technology of the taxpayer, to the personnel or agents of such contractual counterparty, or

''(ff) on an exclusive basis, maintain, repair, or operate any plant or equipment which is necessary to the production by the taxpayer of eligible components or electricity.

''(III) LICENSING AND OTHER AGREEMENTS.—

''(aa) IN GENERAL.—In addition to subclause (II), for purposes of clause (i)(II), the term 'effective control' means, with respect to a licensing agreement for the provision of intellectual property (or any other contract, agreement or other arrangement entered into with a contractual counterparty related to such licensing agreement) with respect to a qualified facility, energy storage technology, or the production of an eligible component, any of the following:

''(AA) A contractual right retained by the contractual counterparty to specify or otherwise direct 1 or more sources of components, subcomponents, or applicable critical minerals utilized in a qualified facility, energy storage technology, or in the production of an eligible component.

''(BB) A contractual right retained by the contractual counterparty to direct the operation of any qualified facility, any energy storage technology, or any production unit that produces an eligible component.

''(CC) A contractual right retained by the contractual counterparty to limit the taxpayer's utilization of intellectual property related to the operation of a qualified facility or energy storage technology, or in the production of an eligible component.

''(DD) A contractual right retained by the contractual counterparty to receive royalties under the licensing agreement or any similar agreement (or payments under any related agreement) beyond the 10th year of the agreement (including modifications or extensions thereof).

''(EE) A contractual right retained by the contractual counterparty to direct or otherwise require the taxpayer to enter into an agreement for the provision of services for a duration longer than 2 years (including any modifications or extensions thereof).

''(FF) Such contract, agreement, or other arrangement does not provide the licensee with all the technical data, information, and know-how necessary to enable the licensee to produce the eligible component or components subject to the contract, agreement, or other arrangement without further involvement from the contractual counterparty or a specified foreign entity.

''(GG) Such contract, agreement, or other arrangement was entered into (or modified) on or after the date of enactment of this paragraph.

''(bb) EXCEPTION.—

''(AA) IN GENERAL.—Item (aa) shall not apply in the case of a bona fide purchase or sale of intellectual property.

''(BB) BONA FIDE PURCHASE OR SALE.—For purposes of item (aa), any purchase or sale of intellectual property where the agreement provides that ownership of the intellectual property reverts to the contractual counterparty after a period of time shall not be considered a bona-fide purchase or sale.

''(IV) PERSONS RELATED TO THE TAXPAYER.—For purposes of subclauses (I), (II), and (III), the term 'taxpayer' shall include any person related to the taxpayer.

''(V) CONTRACTUAL COUNTERPARTY.—For purposes of this clause, the term 'contractual counterparty' means an entity with which the taxpayer has entered into a contract, agreement, or other arrangement.

''(iii) GUIDANCE.—Not later than December 31, 2026, the Secretary shall issue such guidance as is necessary to carry out the purposes of this subparagraph, including establishment of rules to prevent entities from evading, circumventing, or abusing the application of the restrictions against impermissible technology licensing arrangements with specified foreign entities, such as through temporary transfers of intellectual property, retention by a specified foreign entity of a reversionary interest in transferred intellectual property, or otherwise.

''(E) PUBLICLY TRADED ENTITIES.—

''(i) IN GENERAL.—

''(I) NONAPPLICATION OF CERTAIN FOREIGN-CONTROLLED ENTITY RULES.—Subparagraph (C)(v) shall not apply in the case of any entity the securities of which are regularly traded on—

''(aa) a national securities exchange which is registered with the Securities and Exchange Commission,

''(bb) the national market system established pursuant to section 11A of the Securities and Exchange Act of 1934, or

''(cc) any other exchange or other market which the Secretary has determined in guidance issued under section 1296(e)(1)(A)(ii) has rules adequate to carry out the purposes of part VI of subchapter P of chapter 1 of subtitle A.

''(II) NONAPPLICATION OF CERTAIN FOREIGN-INFLUENCED ENTITY RULES.—Subparagraph (D)(i)(I) shall not apply in the case of any entity—

''(aa) the securities of which are regularly traded in a manner described in subclause (I), or

''(bb) for which not less than 80 percent of the equity securities of such entity are owned directly or indirectly by an entity which is described in item (aa).

''(III) EXCLUSION OF EXCHANGES OR MARKETS IN COVERED NATIONS.—Subclause (I)(cc) shall not apply with respect to any exchange or market which—

''(aa) is incorporated or organized under the laws of a covered nation, or

''(bb) has its principal place of business in a covered nation.

''(ii) ADDITIONAL FOREIGN-CONTROLLED ENTITY REQUIREMENTS FOR PUBLICLY TRADED COMPANIES.—In the case of an entity described in clause (i)(I), such entity shall be deemed to be a foreign-controlled entity under subparagraph (C)(v) if such entity is controlled (as determined under subparagraph (G)) by—

''(I) 1 or more specified foreign entities (as determined without regard to subparagraph (B)(v)) that are each required to report their beneficial ownership pursuant to a rule described in clause (iii)(I)(bb), or

''(II) 1 or more foreign-controlled entities (as determined without regard to subparagraph (C)(v)) that are each required to report their beneficial ownership pursuant to a rule described in such clause.

''(iii) ADDITIONAL FOREIGN-INFLUENCED ENTITY REQUIREMENTS FOR PUBLICLY TRADED COMPANIES.—In the case of an entity described in clause (i)(II), such entity shall be deemed to be a foreign-influenced entity under subparagraph (D)(i)(I) if—

''(I) during the taxable year—

''(aa) a specified foreign entity has the authority to appoint a covered officer of such entity,

''(bb) a single specified foreign entity required to report its beneficial ownership under Rule 13d-3 of the Securities and Exchange Act of 1934 (or, in the case of an exchange or market described in clause (i)(I)(cc), an equivalent rule) owns not less than 25 percent of such entity, or

''(cc) 1 or more specified foreign entities that are each required to report their beneficial ownership under Rule 13d-3 of the Securities and Exchange Act of 1934 own, in the aggregate, not less than 40 percent of such entity, or

''(II) such entity has issued debt, as part of an original issuance, in excess of 15 percent of its publicly-traded debt to 1 or more specified foreign entities.

''(F) COVERED OFFICER.—For purposes of this paragraph, the term 'covered officer' means, with respect to an entity—

''(i) a member of the board of directors, board of supervisors, or equivalent governing body,

''(ii) an executive-level officer, including the president, chief executive officer, chief operating officer, chief financial officer, general counsel, or senior vice president, or

''(iii) an individual having powers or responsibilities similar to those of officers or members described in clause (i) or (ii).

''(G) DETERMINATION OF CONTROL.—For purposes of subparagraph (C)(v), the term 'control' means—

''(i) in the case of a corporation, ownership (by vote or value) of more than 50 percent of the stock in such corporation,

''(ii) in the case of a partnership, ownership of more than 50 percent of the profits interests or capital interests in such partnership, or

''(iii) in any other case, ownership of more than 50 percent of the beneficial interests in the entity.

''(H) DETERMINATION OF OWNERSHIP.—For purposes of this paragraph, section 318(a)(2) shall apply for purposes of determining ownership of stock in a corporation. Similar principles shall apply for purposes of determining ownership of interests in any other entity.

''(I) OTHER DEFINITIONS.—For purposes of this paragraph—

''(i) APPLICABLE CRITICAL MINERAL.—The term 'applicable critical mineral' has the same meaning given such term under section 45X(c)(6).

''(ii) COVERED NATION.—The term 'covered nation' has the same meaning given such term under section 4872(f)(2) of title 10, United States Code.

''(iii) ELIGIBLE COMPONENT.—The term 'eligible component' has the same meaning given such term under section 45X(c)(1).

''(iv) ENERGY STORAGE TECHNOLOGY.—The term 'energy storage technology' has the same meaning given such term under section 48E(c)(2).

''(v) QUALIFIED FACILITY.—The term 'qualified facility' means—

''(I) a qualified facility, as defined in section 45Y(b)(1), and

''(II) a qualified facility, as defined in section 48E(b)(3).

''(vi) RELATED.—The term 'related' shall have the same meaning given such term under sections 267(b) and 707(b).

''(J) BEGINNING OF CONSTRUCTION.—For purposes of applying any provision under this paragraph, the beginning of construction with respect to any property shall be determined pursuant to rules similar to the rules under Internal Revenue Service Notice 2013–29 and Internal Revenue Service Notice 2018-59 (as well as any subsequently issued guidance clarifying, modifying, or updating either such Notice), as in effect on January 1, 2025.

''(K) REGULATIONS AND GUIDANCE.—The Secretary may prescribe such regulations and guidance as may be necessary or appropriate to carry out the provisions of this paragraph, including rules to prevent the circumvention of any rules or restrictions with respect to prohibited foreign entities.

''(52) MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—

''(A) IN GENERAL.—The term 'material assistance from a prohibited foreign entity' means—

''(i) with respect to any qualified facility or energy storage technology, a material assistance cost ratio which is less than the threshold percentage applicable under subparagraph (B), or

''(ii) with respect to any facility which produces eligible components, a material assistance cost ratio which is less than the threshold percentage applicable under subparagraph (C).

''(B) THRESHOLD PERCENTAGE FOR QUALIFIED FACILITIES AND ENERGY STORAGE TECHNOLOGY.—For purposes of subparagraph (A)(i), the threshold percentage shall be—

''(i) in the case of a qualified facility the construction of which begins—

''(I) during calendar year 2026, 40 percent,

''(II) during calendar year 2027, 45 percent,

''(III) during calendar year 2028, 50 percent,

''(IV) during calendar year 2029, 55 percent, and

''(V) after December 31, 2029, 60 percent, and

''(ii) in the case of energy storage technology the construction of which begins—

''(I) during calendar year 2026, 55 percent,

''(II) during calendar year 2027, 60 percent,

''(III) during calendar year 2028, 65 percent,

''(IV) during calendar year 2029, 70 percent, and

''(V) after December 31, 2029, 75 percent.

''(C) THRESHOLD PERCENTAGE FOR ELIGIBLE COMPONENTS.—

''(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the threshold percentage shall be—

''(I) in the case of any solar energy component (as such term is defined in section 45X(c)(3)(A)) which is sold—

''(aa) during calendar year 2026, 50 percent,

''(bb) during calendar year 2027, 60 percent,

''(cc) during calendar year 2028, 70 percent,

''(dd) during calendar year 2029, 80 percent, and

''(ee) after December 31, 2029, 85 percent,

''(II) in the case of any wind energy component (as such term is defined in section 45X(c)(4)(A)) which is sold—

''(aa) during calendar year 2026, 85 percent, and

''(bb) during calendar year 2027, 90 percent,

''(III) in the case of any inverter described in subparagraphs (B) through (G) of section 45X(c)(2) which is sold—

''(aa) during calendar year 2026, 50 percent,

''(bb) during calendar year 2027, 55 percent,

''(cc) during calendar year 2028, 60 percent,

''(dd) during calendar year 2029, 65 percent, and

''(ee) after December 31, 2029, 70 percent,

''(IV) in the case of any qualifying battery component (as such term is defined in section 45X(c)(5)(A)) which is sold—

''(aa) during calendar year 2026, 60 percent,

''(bb) during calendar year 2027, 65 percent,

''(cc) during calendar year 2028, 70 percent,

''(dd) during calendar year 2029, 80 percent, and

''(ee) after December 31, 2029, 85 percent, and

''(V) subject to clause (ii), in the case of any applicable critical mineral (as such term is defined in section 45X(c)(6)) which is sold—

''(aa) after December 31, 2025, and before January 1, 2030, 0 percent,

''(bb) during calendar year 2030, 25 percent,

''(cc) during calendar year 2031, 30 percent,

''(dd) during calendar year 2032, 40 percent, and

''(ee) after December 31, 2032, 50 percent.

''(ii) ADJUSTED THRESHOLD PERCENTAGE FOR APPLICABLE CRITICAL MINERALS.—Not later than December 31, 2027, the Secretary shall issue threshold percentages for each of the applicable critical minerals described in section 45X(c)(6)), which shall—

''(I) apply in lieu of the threshold percentage determined under clause (i)(V) for each calendar year, and

''(II) equal or exceed the threshold percentage which would otherwise apply with respect to such applicable critical mineral under such clause for such calendar year, taking into account—

''(aa) domestic geographic availability,

''(bb) supply chain constraints,

''(cc) domestic processing capacity needs, and

''(dd) national security concerns.

''(D) MATERIAL ASSISTANCE COST RATIO.—

''(i) QUALIFIED FACILITIES AND ENERGY STORAGE TECHNOLOGY.—For purposes of subparagraph (A)(i), the term 'material assistance cost ratio' means the amount (expressed as a percentage) equal to the quotient of—

''(I) an amount equal to—

''(aa) the total direct costs to the taxpayer attributable to all manufactured products (including components) which are incorporated into the qualified facility or energy storage technology upon completion of construction, minus

''(bb) the total direct costs to the taxpayer attributable to all manufactured products (including components) which are—

''(AA) incorporated into the qualified facility or energy storage technology upon completion of construction, and

''(BB) mined, produced, or manufactured by a prohibited foreign entity, divided by

''(II) the amount described in subclause (I)(aa).

''(ii) ELIGIBLE COMPONENTS.—For purposes of subparagraph (A)(ii), the term 'material assistance cost ratio' means the amount (expressed as a percentage) equal to the quotient of—

''(I) an amount equal to—

''(aa) with respect to an eligible component, the total direct material costs that are paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer for production of such eligible component, minus

''(bb) with respect to an eligible component, the total direct material costs that are paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer for production of such eligible component that are mined, produced, or manufactured by a prohibited foreign entity, divided by

''(II) the amount described in subclause (I)(aa).

''(iii) SAFE HARBOR TABLES.—

''(I) IN GENERAL.—Not later than December 31, 2026, the Secretary shall issue safe harbor tables (and such other guidance as deemed necessary) to—

''(aa) identify the percentage of total direct costs of any manufactured product which is attributable to a prohibited foreign entity,

''(bb) identify the percentage of total direct material costs of any eligible component which is attributable to a prohibited foreign entity, and

''(cc) provide all rules necessary to determine the amount of a taxpayer's material assistance from a prohibited foreign entity within the meaning of this paragraph.

''(II) SAFE HARBORS PRIOR TO ISSUANCE.—For purposes of this paragraph, prior to the date on which the Secretary issues the safe harbor tables described in subclause (I), and for construction of a qualified facility or energy storage technology which begins on or before the date which is 60 days after the date of issuance of such tables, a taxpayer may—

''(aa) use the tables included in Internal Revenue Service Notice 2025–08 to establish the percentage of the total direct costs of any listed eligible component and any manufactured product, and

''(bb) rely on a certification by the supplier of the manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component—

''(AA) of the total direct costs or the total direct material costs, as applicable, of such product or component that was not produced or manufactured by a prohibited foreign entity, or

''(BB) that such product or component was not produced or manufactured by a prohibited foreign entity.

''(III) EXCEPTION.—Notwithstanding subclauses (I) and (II)—

''(aa) if the taxpayer knows (or has reason to know) that a manufactured product or eligible component was produced or manufactured by a prohibited foreign entity, the taxpayer shall treat all direct costs with respect to such manufactured product, or all direct material costs with respect to such eligible component, as attributable to a prohibited foreign entity, and

''(bb) if the taxpayer knows (or has reason to know) that the certification referred to in subclause (II)(bb) pertaining to a manufactured product or eligible component is inaccurate, the taxpayer may not rely on such certification.

''(IV) CERTIFICATION REQUIREMENT.—In a manner consistent with Treasury Regulation section 1.45X–4(c)(4)(i) (as in effect on the date of enactment of this paragraph), the certification referred to in subclause (II)(bb) shall—

''(aa) include—

''(AA) the supplier's employer identification number, or

''(BB) any such similar identification number issued by a foreign government,

''(bb) be signed under penalties of perjury,

''(cc) be retained by the supplier and the taxpayer for a period of not less than 6 years and shall be provided to the Secretary upon request, and

''(dd) be from the supplier from which the taxpayer purchased any manufactured product, eligible component, or constituent elements, materials, or subcomponents of an eligible component, stating—

''(AA) that such property was not produced or manufactured by a prohibited foreign entity and that the supplier does not know (or have reason to know) that any prior supplier in the chain of production of that property is a prohibited foreign entity,

''(BB) for purposes of section 45X, the total direct material costs for each component, constituent element, material, or subcomponent that were not produced or manufactured by a prohibited foreign entity, or

''(CC) for purposes of section 45Y or section 48E, the total direct costs attributable to all manufactured products that were not produced or manufactured by a prohibited foreign entity.

''(iv) EXISTING CONTRACT.—Upon the election of the taxpayer (in such form and manner as the Secretary shall designate), in the case of any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component which is—

''(I) acquired by the taxpayer, or manufactured or assembled by or for the taxpayer, pursuant to a binding written contract which was entered into prior to June 16, 2025, and

''(II)(aa) placed into service before January 1, 2030 (or, in the case of an applicable facility, as defined in section 45Y(d)(4)(B), before January 1, 2028) in a facility the construction of which began before August 1, 2025, or

''(bb) in the case of a constituent element, material, or subcomponent, used in a product sold before January 1, 2030,

the cost to the taxpayer with respect to such product, component, element, material, or subcomponent shall not be included for purposes of determining the material assistance cost ratio under this subparagraph.

''(v) ANTI-CIRCUMVENTION RULES.—The Secretary shall prescribe such regulations and guidance as may be necessary or appropriate to prevent circumvention of the rules under this subparagraph, including prevention of—

''(I) any abuse of the exception provided under clause (iv) through the stockpiling of any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component during any period prior to the application of the requirements under this paragraph, or

''(II) any evasion with respect to the requirements of this subparagraph where the facts and circumstances demonstrate that the beginning of construction of a qualified facility or energy storage technology has not in fact occurred.

''(E) OTHER DEFINITIONS.—For purposes of this paragraph—

''(i) ELIGIBLE COMPONENT.—The term 'eligible component' means—

''(I) any property described in section 45X(c)(1), or

''(II) any component which is identified by the Secretary pursuant to regulations or guidance issued under subparagraph (G).

''(ii) ENERGY STORAGE TECHNOLOGY.—The term 'energy storage technology' has the same meaning given such term under section 48E(c)(2).

''(iii) MANUFACTURED PRODUCT.—The term 'manufactured product' means—

''(I) a manufactured product which is a component of a qualified facility, as described in section 45Y(g)(11)(B) and any guidance issued thereunder, or

''(II) any product which is identified by the Secretary pursuant to regulations or guidance issued under subparagraph (G).

''(iv) QUALIFIED FACILITY.—The term 'qualified facility' means—

''(I) a qualified facility, as defined in section 45Y(b)(1),

''(II) a qualified facility, as defined in section 48E(b)(3), and

''(III) any qualified interconnection property (as defined in section 48E(b)(4)) which is part of the qualified investment with respect to a qualified facility (as described in section 48E(b)(1)).

''(F) DETERMINATION OF OWNERSHIP; BEGINNING OF CONSTRUCTION.—Rules similar to the rules under subparagraphs (H) and (J) of paragraph (51) shall apply for purposes of this paragraph.

''(G) REGULATIONS AND GUIDANCE.—The Secretary may prescribe such regulations and guidance as may be necessary or appropriate to carry out the provisions of this paragraph, including—

''(i) identification of components or products for purposes of clauses (i) and (iii) of subparagraph (E), and

''(ii) for purposes of subparagraph (A)(ii), rules to address facilities which produce more than one eligible component.''.

(d) DENIAL OF CREDIT FOR CERTAIN WIND AND SOLAR LEASING ARRANGEMENTS.—Section 45Y is amended by adding at the end the following new subsection:

''(h) DENIAL OF CREDIT FOR WIND AND SOLAR LEASING ARRANGEMENTS.—No credit shall be determined under this section with respect to any production of electricity during the taxable year with respect to property described in paragraph (1) or (4) of section 25D(d) (as applied by substituting 'lessee' for 'taxpayer') if the taxpayer rents or leases such property to a third party during such taxable year.''.

(e) EMISSIONS RATES TABLES.—Section 45Y(b)(2)(C) is amended by adding at the end the following new clause:

''(iii) EXISTING STUDIES.—For purposes of clause (i), in determining greenhouse gas emissions rates for types or categories of facilities for the purpose of determining whether a facility satisfies the requirements under paragraph (1), the Secretary shall consider studies published on or before the date of enactment of this clause which demonstrate a net lifecycle greenhouse gas emissions rate which is not greater than zero using widely accepted lifecycle assessment concepts, such as concepts described in standards developed by the International Organization for Standardization.''.

(f) NUCLEAR ENERGY COMMUNITIES.—

(1) IN GENERAL.—Section 45(b)(11) is amended—

(A) in subparagraph (B)—

(i) in clause (ii)(II), by striking ''or'' at the end,

(ii) in clause (iii)(II), by striking the period at the end and inserting '', or'', and

(iii) by adding at the end the following new clause:

''(iv) for purposes of any qualified facility which is an advanced nuclear facility, a metropolitan statistical area which has (or, at any time during the period beginning after December 31, 2009, had) 0.17 percent or greater direct employment related to the advancement of nuclear power, including employment related to—

''(I) an advanced nuclear facility,

''(II) advanced nuclear power research and development,

''(III) nuclear fuel cycle research, development, or production, including mining, enrichment, manufacture, storage, disposal, or recycling of nuclear fuel, and

''(IV) the manufacturing or assembly of components used in an advanced nuclear facility.'', and

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

''(C) ADVANCED NUCLEAR FACILITIES.—

''(i) IN GENERAL.—Subject to clause (ii), for purposes of subparagraph (B)(iv), the term 'advanced nuclear facility' means any nuclear facility the reactor design for which is approved in the manner described in section 45J(d)(2).

''(ii) SPECIAL RULE.—For purposes of clause (i), a facility shall be deemed to have a reactor design which is approved in the manner described in section 45J(d)(2) if the Nuclear Regulatory Commission has authorized construction and issued a site-specific construction permit or combined license with respect to such facility (without regard to whether the reactor design was approved after December 31, 1993).''.

(2) NONAPPLICATION FOR CLEAN ELECTRICITY INVESTMENT CREDIT.—Section 48E(a)(3)(A)(i)

is amended by inserting '', as applied without regard to clause (iv) thereof'' after ''section 45(b)(11)(B)''.

(g) CONFORMING AMENDMENTS.—Section 45Y(b)(1) is amended—

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

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

''(D) DETERMINATION OF CAPACITY.—For purposes of subparagraph (C), additions of capacity of a facility shall be determined in any reasonable manner, including based on—

''(i) determinations by, or reports to, the Federal Energy Regulatory Commission (including interconnection agreements), the Nuclear Regulatory Commission, or any similar entity, reflecting additions of capacity,

''(ii) determinations or reports reflecting additions of capacity made by an independent professional engineer,

''(iii) reports to, or issued by, regional transmission organizations or independent system operators reflecting additions of capacity, or

''(iv) any other method or manner provided by the Secretary.''.

(h) PROHIBITION ON TRANSFER OF CREDITS TO SPECIFIED FOREIGN ENTITIES.—Section 6418(g) is amended by adding at the end the following new paragraph:

''(5) PROHIBITION ON TRANSFER OF CREDITS TO SPECIFIED FOREIGN ENTITIES.—With respect to any eligible credit described in clause (iii), (iv), (vi), (vii), (viii), or (xi) of subsection (f)(1)(A), an eligible taxpayer may not elect to transfer any portion of such credit to a taxpayer that is a specified foreign entity (as defined in section 7701(a)(51)(B)).''.

(i) EXTENSION OF PERIOD OF LIMITATIONS FOR ERRORS RELATING TO DETERMINING OF MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—Section 6501 is amended—

(1) by redesignating subsection (o) as subsection (p), and

(2) by inserting after subsection (n) the following new subsection:

''(o) MATERIAL ASSISTANCE FROM A PROHIBITED FOREIGN ENTITY.—In the case of a deficiency attributable to an error with respect to the determination under section 7701(a)(52) for any taxable year, such deficiency may be assessed at any time within 6 years after the return for such year was filed.''.

(j) IMPOSITION OF ACCURACY-RELATED PENALTIES.—

(1) IN GENERAL.—Section 6662 is amended by adding at the end the following new subsection:

''(m) SUBSTANTIAL UNDERSTATEMENT OF INCOME TAX DUE TO DISALLOWANCE OF APPLICABLE ENERGY CREDITS.—

''(1) IN GENERAL.—In the case of a taxpayer for which there is a disallowance of an applicable energy credit for any taxable year, for purposes of determining whether there is a substantial understatement of income tax for such taxable year, subsection (d)(1) shall be applied—

''(A) in subparagraphs (A) and (B), by substituting '1 percent' for '10 percent' each place it appears, and

''(B) without regard to subparagraph (C).

''(2) DISALLOWANCE OF AN APPLICABLE ENERGY CREDIT.—For purposes of this subsection, the term 'disallowance of an applicable energy credit' means the disallowance of a credit under section 45X, 45Y, or 48E by reason of overstating the material assistance cost ratio (as determined under section 7701(a)(52)) with respect to any qualified facility, energy storage technology, or facility which produces eligible components.''.

(2) CONFORMING AMENDMENT.—Section 6417(d)(6) is amended by adding at the end the following new subparagraph:

''(D) DISALLOWANCE OF AN APPLICABLE ENERGY CREDIT.—In the case of an applicable entity which made an election under subsection (a) with respect to an applicable credit for which there is a disallowance described in section 6662(m)(2), subparagraph (A) shall apply with respect to any excessive payment resulting from such disallowance.''.

(k) PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 is amended by inserting after section 6695A the following new section:

''SEC. 6695B. PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.

''(a) IMPOSITION OF PENALTY.—If—

''(1) a person—

''(A) provides a certification described in clause (iii)(II)(bb) of section 7701(a)(52)(D) with respect to any manufactured product, eligible component, or constituent element, material, or subcomponent of an eligible component, and

''(B) knows, or reasonably should have known, that the certification would be used in connection with a determination under such section,

''(2) such person knows, or reasonably should have known, that such certification is inaccurate or false with respect to—

''(A) whether such property was produced or manufactured by a prohibited foreign entity, or

''(B) the total direct costs or total direct material costs of such property that was not produced or manufactured by a prohibited foreign entity that were provided on such certification, and

''(3) the inaccuracy or falsity described in paragraph (2) resulted in the disallowance of an applicable energy credit (as defined in section 6662(m)(2)) and an understatement of income tax (within the meaning of section 6662(d)(2)) for the taxable year in an amount which exceeds the lesser of—

''(A) 5 percent of the tax required to be shown on the return for the taxable year, or

''(B) $100,000,

then such person shall pay a penalty in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—The amount of the penalty imposed under subsection (a) on any person with respect to a certification shall be equal to the greater of—

''(1) 10 percent of the amount of the underpayment (as defined in section 6664(a)) solely attributable to the inaccuracy or falsity described in subsection (a)(2), or

''(2) $5,000.

''(c) EXCEPTION.—No penalty shall be imposed under subsection (a) if the person establishes to the satisfaction of the Secretary that any inaccuracy or falsity described in subsection (a)(2) is due to a reasonable cause and not willful neglect.

''(d) DEFINITIONS.—Any term used in this section which is also used in section 7701(a)(52) shall have the meaning given such term in such section.''.

(2) CLERICAL AMENDMENTS.—

(A) Section 6696 is amended—

(i) in the heading, by striking ''**AND 6695A**'' and inserting ''**6695A, AND 6695B**'',

(ii) in subsections (a), (b), and (e), by striking ''and 6695A'' each place it appears and inserting ''6695A, and 6695B'',

(iii) in subsection (c), by striking ''or 6695A'' and inserting ''6695A, or 6695B'', and

(iv) in subsection (d)—

(I) in paragraph (1), by inserting ''(or, in the case of any penalty under section 6695B, 6 years)'' after ''assessed within 3 years'', and

(II) in paragraph (2), by inserting ''(or, in the case of any claim for refund of an overpayment of any penalty assessed under section 6695B, 6 years)'' after ''filed within 3 years''.

(B) The table of sections for part I of subchapter B of chapter 68 is amended by inserting after item relating to section 6695A the following new item:

''Sec. 6695B. Penalty for substantial misstatements on certification provided by supplier.''.

(l) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), and (4), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The amendments made by subsection (b)(1) shall apply to facilities for which construction begins after December 31, 2025.

(3) PENALTY FOR SUBSTANTIAL MISSTATEMENTS ON CERTIFICATION PROVIDED BY SUPPLIER.—The amendments made by subsection (k) shall apply to certifications provided after December 31, 2025.

(4) TERMINATION FOR WIND AND SOLAR FACILITIES.—The amendments made by subsection (a) shall apply to facilities the construction of which begins after the date which is 12 months after the date of enactment of this Act.

SEC. 70513. TERMINATION AND RESTRICTIONS ON CLEAN ELECTRICITY INVESTMENT CREDIT.

(a) TERMINATION FOR WIND AND SOLAR FACILITIES.—Section 48E(e) is amended—

(1) in paragraph (1), by striking ''The amount of'' and inserting ''Subject to paragraph (4), the amount of'', and

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

''(4) TERMINATION FOR WIND AND SOLAR FACILITIES.—

''(A) IN GENERAL.—This section shall not apply to any qualified property placed in service by the taxpayer after December 31, 2027, which is part of an applicable facility.

''(B) APPLICABLE FACILITY.—For purposes of this paragraph, the term 'applicable facility' means a qualified facility which—

''(i) uses wind to produce electricity (within the meaning of such term as used in section 45(d)(1), as determined without regard to any requirement under such section with respect to the date on which construction of property begins), or

''(ii) uses solar energy to produce electricity (within the meaning of such term as used in section 45(d)(4), as determined without regard to any requirement under such section with respect to the date on which construction of property begins).

''(C) EXCEPTION.—This paragraph shall not apply with respect to any energy storage technology which is placed in service at any applicable facility.''.

(b) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

(1) IN GENERAL.—Section 48E is amended—

(A) in subsection (b)—

(i) by redesignating paragraph (6) as paragraph (7), and

(ii) by inserting after paragraph (5) the following new paragraph:

''(6) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The terms 'qualified facility' and 'qualified interconnection property' shall not include any facility or property the construction, reconstruction, or erection of which begins after December 31, 2025, if the construction, reconstruction, or erection of such facility or property includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).'', and

(B) in subsection (c), by adding at the end the following new paragraph:

''(3) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—The term 'energy

storage technology' shall not include any property the construction of which begins after December 31, 2025, if the construction of such property includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)).''.

(2) ADDITIONAL RESTRICTIONS.—Section 48E(d) is amended by adding at the end the following new paragraph:

''(6) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to a qualified facility described in subsection (b)(3) or energy storage technology described in subsection (c)(2).''.

(3) RECAPTURE.—

(A) IN GENERAL.—Section 50(a) is amended—

(i) by redesignating paragraphs (4) through (6) as paragraphs (5) through (7), respectively,

(ii) by inserting after paragraph (3) the following new paragraph:

''(4) PAYMENTS TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—If there is an applicable payment made by a specified taxpayer before the close of the 10-year period beginning on the date such taxpayer placed in service investment credit property which is eligible for the clean electricity investment credit under section 48E(a), then the tax under this chapter for the taxable year in which such applicable payment occurs shall be increased by 100 percent of the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero any credit determined under section 46 which is attributable to the clean electricity investment credit under section 48E(a) with respect to such property.

''(B) APPLICABLE PAYMENT.—For purposes of this paragraph, the term 'applicable payment' means, with respect to any taxable year, a payment or payments described in section 7701(a)(51)(D)(i)(II).

''(C) SPECIFIED TAXPAYER.—For purposes of this paragraph, the term 'specified taxpayer' means any taxpayer who has been allowed a credit under section 48E(a) for any taxable year beginning after the date which is 2 years after the date of enactment of this paragraph.'',

(iii) in paragraph (5), as redesignated by clause (i), by striking ''or any applicable transaction to which paragraph (3)(A) applies,'' and inserting ''any applicable transaction to which paragraph (3)(A) applies, or any applicable payment to which paragraph (4)(A) applies,'', and

(iv) in paragraph (7), as redesignated by clause (i), by striking ''or (3)'' and inserting ''(3), or (4)''.

(B) CONFORMING AMENDMENTS.—

(i) Section 1371(d)(1) is amended by striking ''section 50(a)(5)'' and inserting ''section 50(a)(6)''.

(ii) Section 6418(g)(3) is amended by striking ''subsection (a)(5)'' each place it appears and inserting ''subsection (a)(7)''.

(c) DENIAL OF CREDIT FOR EXPENDITURES FOR CERTAIN WIND AND SOLAR LEASING ARRANGEMENTS.—

(1) IN GENERAL.—Section 48E is amended—

(A) by redesignating subsection (i) as subsection (j), and

(B) by inserting after subsection (h) the following new subsection:

''(i) DENIAL OF CREDIT FOR EXPENDITURES FOR WIND AND SOLAR LEASING ARRANGEMENTS.—No credit shall be determined under this section for any qualified investment during the taxable year with respect to property described in paragraph (1) or (4) of section 25D(d) (as applied by substituting 'lessee' for 'taxpayer') if the taxpayer rents or leases such property to a third party during such taxable year.''.

(2) CONFORMING RULES.—Section 50 is amended by adding at the end the following new subsection:

''(e) RULES FOR GEOTHERMAL HEAT PUMPS.—For purposes of this section and section 168, the ownership of energy property described in section 48(a)(3)(A)(vii) shall be determined without regard to whether such property is readily usable by a person other than the lessee or service recipient.''.

(d) DOMESTIC CONTENT RULES.—Subparagraph (B) of section 48E(a)(3) is amended to read as follows:

''(B) DOMESTIC CONTENT.—Rules similar to the rules of section 48(a)(12) shall apply, except that, for purposes of subparagraph (B) of such section and the application of rules similar to the rules of section 45(b)(9)(B), the adjusted percentage (as determined under section 45(b)(9)(C)) shall be determined as follows:

''(i) In the case of any qualified investment with respect to any qualified facility or energy storage technology the construction of which begins before June 16, 2025, 40 percent (or, in the case of a qualified facility which is an offshore wind facility, 20 percent).

''(ii) In the case of any qualified investment with respect to any qualified facility or energy storage technology the construction of which begins on or after June 16, 2025, and before January 1, 2026, 45 percent (or, in the case of a qualified facility which is an offshore wind facility, 27.5 percent).

''(iii) In the case of any qualified investment with respect to any qualified facility or energy storage technology the construction of which begins during calendar year 2026, 50 percent (or, in the case of a qualified facility which is an offshore wind facility, 35 percent).

''(iv) In the case of any qualified investment with respect to any qualified facility or energy storage technology the construction of which begins after December 31, 2026, 55 percent.''.

(e) ELIMINATION OF ENERGY CREDIT FOR CERTAIN ENERGY PROPERTY.—Section 48(a)(2) is amended—

(1) in subparagraph (A)(ii), by striking ''2 percent'' and inserting ''0 percent'', and

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

''(C) NONAPPLICATION OF INCREASES TO ENERGY PERCENTAGE.—For purposes of energy property described in subparagraph (A)(ii), the energy percentage applicable to such property pursuant to such subparagraph shall not be increased or otherwise adjusted by any provision of this section.''.

(f) APPLICATION OF CLEAN ELECTRICITY INVESTMENT CREDIT TO QUALIFIED FUEL CELL PROPERTY.—Section 48E, as amended by subsection (c), is amended—

(1) by redesignating subsection (j) as subsection (k), and

(2) by inserting after subsection (i) the following new subsection:

''(j) APPLICATION TO QUALIFIED FUEL CELL PROPERTY.—For purposes of this section, in the case of any qualified fuel cell property (as defined in section 48(c)(1), as applied without regard to subparagraph (E) thereof)—

''(1) subsection (b)(3)(A) shall be applied without regard to clause (iii) thereof,

''(2) for purposes of subsection (a)(1), the applicable percentage shall be 30 percent and such percentage shall not be increased or otherwise adjusted by any other provision of this section, and

''(3) subsection (g) shall not apply.''.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), (4), and (5), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) DOMESTIC CONTENT RULES.—The amendment made by subsection (d) shall apply on or after June 16, 2025.

(3) ELIMINATION OF ENERGY CREDIT FOR CERTAIN ENERGY PROPERTY.—The amendments made by subsection (e) shall apply to property the construction of which begins on or after June 16, 2025.

(4) APPLICATION OF CLEAN ELECTRICITY INVESTMENT CREDIT TO QUALIFIED FUEL CELL PROPERTY.—The amendments made by subsection (f) shall apply to property the construction of which begins after December 31, 2025.

(5) TERMINATION FOR WIND AND SOLAR FACILITIES.—The amendments made by subsection (a) shall apply to facilities the construction of which begins after the date which is 12 months after the date of enactment of this Act.

SEC. 70514. PHASE-OUT AND RESTRICTIONS ON ADVANCED MANUFACTURING PRODUCTION CREDIT.

(a) MODIFICATION OF PROVISION RELATING TO SALE OF INTEGRATED COMPONENTS.—Paragraph (4) of section 45X(d) is amended to read as follows:

''(4) SALE OF INTEGRATED COMPONENTS.—

''(A) IN GENERAL.—For purposes of this section, a person shall be treated as having sold an eligible component to an unrelated person if—

''(i) such component (referred to in this paragraph as the 'primary component') is integrated, incorporated, or assembled into another eligible component (referred to in this paragraph as the 'secondary component') produced within the same manufacturing facility as the primary component, and

''(ii) the secondary component is sold to an unrelated person.

''(B) ADDITIONAL REQUIREMENTS.—Subparagraph (A) shall only apply with respect to a secondary component for which not less than 65 percent of the total direct material costs which are paid or incurred (within the meaning of section 461 and any regulations issued under section 263A) by the taxpayer to produce such secondary component are attributable to primary components which are mined, produced, or manufactured in the United States.''.

(b) PHASE OUT AND TERMINATION.—Section 45X(b)(3) is amended—

(1) in the heading, by inserting ''AND TERMINATION'' after ''PHASE OUT'',

(2) in subparagraph (A), in the matter preceding clause (i), by striking ''subparagraph (C)'' and inserting ''subparagraphs (C) and (D)'', and

(3) by striking subparagraph (C) and inserting the following:

''(C) PHASE OUT FOR APPLICABLE CRITICAL MINERALS OTHER THAN METALLURGICAL COAL.—

''(i) IN GENERAL.—In the case of any applicable critical mineral (other than metallurgical coal) produced after December 31, 2030, the amount determined under this subsection with respect to such mineral shall be equal to the product of—

''(I) the amount determined under paragraph (1) with respect to such mineral, as determined without regard to this subparagraph, multiplied by

''(II) the phase out percentage under clause (ii).

''(ii) PHASE OUT PERCENTAGE FOR APPLICABLE CRITICAL MINERALS OTHER THAN METALLURGICAL COAL.—The phase out percentage under this clause is equal to—

''(I) in the case of any applicable critical mineral produced during calendar year 2031, 75 percent,

''(II) in the case of any applicable critical mineral produced during calendar year 2032, 50 percent,

''(III) in the case of any applicable critical mineral produced during calendar year 2033, 25 percent, and

''(IV) in the case of any applicable critical mineral produced after December 31, 2033, 0 percent.

''(D) TERMINATION FOR WIND ENERGY COMPONENTS.—This section shall not apply to any wind energy component produced and sold after December 31, 2027.

''(E) TERMINATION FOR METALLURGICAL COAL.—This section shall not apply to any metallurgical coal produced after December 31, 2029.''.

(c) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45X is amended—

(1) in subsection (c)(1), by adding at the end the following new subparagraph:

''(C) MATERIAL ASSISTANCE FROM PROHIBITED FOREIGN ENTITIES.—In the case of taxable years beginning after the date of enactment of this subparagraph, the term 'eligible component' shall not include any property which includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52), as applied by substituting 'used in a product sold before January 1, 2027' for 'used in a product sold before January 1, 2030' in subparagraph (D)(iv)(II)(bb) thereof).'', and

(2) in subsection (d), as amended by subsection (a) of this section, by adding at the end the following new paragraph:

''(4) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year if the taxpayer is—

''(i) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(ii) a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).

''(B) EFFECTIVE CONTROL.—In the case of a taxpayer for which section 7701(a)(51)(D)(i)(II) is determined to apply for any taxable year, no credit shall be determined under subsection (a) for such taxable year if such determination relates to an eligible component described in subsection (c)(1).''.

(d) MODIFICATION OF DEFINITION OF BATTERY MODULE.—Section 45X(c)(5)(B)(iii) is amended—

(1) in subclause (I)(bb), by striking ''and'' at the end,

(2) in subclause (II), by striking the period at the end and inserting '', and'', and

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

''(III) which is comprised of all other essential equipment needed for battery functionality, such as current collector assemblies and voltage sense harnesses, or any other essential energy collection equipment.''.

(e) INCLUSION OF METALLURGICAL COAL AS AN APPLICABLE CRITICAL MINERAL FOR PURPOSES OF THE ADVANCED MANUFACTURING PRODUCTION CREDIT.—

(1) IN GENERAL.—Section 45X(c)(6) is amended—

(A) by redesignating subparagraphs (R) through (Z) as subparagraphs (S) through (AA), respectively, and

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

''(R) METALLURGICAL COAL.—Metallurgical coal which is suitable for use in the production of steel (within the meaning of the notice published by the Department of Energy entitled 'Critical Material List; Addition of Metallurgical Coal Used for Steelmaking' (90 Fed. Reg. 22711 (May 29, 2025))), regardless of whether such production occurs inside or outside of the United States.''.

(2) CREDIT AMOUNT.—Section 45X(b)(1)(M) is amended by inserting ''(2.5 percent in the case of metallurgical coal)'' after ''10 percent''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act.

(2) MODIFICATION OF PROVISION RELATING TO SALE OF INTEGRATED COMPONENTS.—The amendment made by subsection (a) shall apply to components sold during taxable years beginning after December 31, 2026.

SEC. 70515. RESTRICTION ON THE EXTENSION OF ADVANCED ENERGY PROJECT CREDIT PROGRAM.

(a) IN GENERAL.—Section 48C(e)(3)(C) is amended by striking ''shall be increased'' and inserting ''shall not be increased''.

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

Subchapter B—Enhancement of America-first Energy Policy

SEC. 70521. EXTENSION AND MODIFICATION OF CLEAN FUEL PRODUCTION CREDIT.

(a) PROHIBITION ON FOREIGN FEEDSTOCKS.—

(1) IN GENERAL.—Section 45Z(f)(1)(A) is amended—

(A) in clause (i)(II)(bb), by striking ''and'' at the end,

(B) in clause (ii), by striking the period at the end and inserting '', and'', and

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

''(iii) such fuel is exclusively derived from a feedstock which was produced or grown in the United States, Mexico, or Canada.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to transportation fuel produced after December 31, 2025.

(b) PROHIBITION ON NEGATIVE EMISSION RATES.—

(1) IN GENERAL.—Section 45Z(b)(1) is amended—

(A) by striking subparagraph (C) and inserting the following:

''(C) ROUNDING OF EMISSIONS RATE.—The Secretary may round the emissions rates under subparagraph (B) to the nearest multiple of 5 kilograms of CO2e per mmBTU.'', and

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

''(E) PROHIBITION ON NEGATIVE EMISSION RATES.—For purposes of this section, the emissions rate for a transportation fuel may not be less than zero.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to emissions rates published for transportation fuel produced after December 31, 2025.

(c) DETERMINATION OF EMISSIONS RATE.—

(1) IN GENERAL.—Section 45Z(b)(1)(B) is amended by adding at the end the following new clauses:

''(iv) EXCLUSION OF INDIRECT LAND USE CHANGES.—Notwithstanding clauses (i), (ii), and (iii), the emissions rate shall be adjusted as necessary to exclude any emissions attributed to indirect land use change. Any such adjustment shall be based on regulations or methodologies determined by the Secretary.

''(v) ANIMAL MANURES.—With respect to any transportation fuel which is derived from animal manure, the Secretary—

''(I) shall provide a distinct emissions rate with respect to such fuel based on the specific animal manure feedstock, which may include dairy manure, swine manure, poultry manure, or any other sources as are determined appropriate by the Secretary, and

''(II) notwithstanding subparagraph (E), may provide an emissions rate that is less than zero.''.

(2) CONFORMING AMENDMENT.—Section 45Z(b)(1)(B)(i) is amended by striking ''clauses (ii) and (iii)'' and inserting ''clauses (ii), (iii), (iv), and (v)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to emissions rates published for transportation fuel produced after December 31, 2025.

(d) EXTENSION OF CLEAN FUEL PRODUCTION CREDIT.—Section 45Z(g) is amended by striking ''December 31, 2027'' and inserting ''December 31, 2029''.

(e) PREVENTING DOUBLE CREDIT.—Section 45Z(d)(5) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by striking ''and'' at the end,

(B) in clause (iii), by striking the period at the end and inserting '', and'', and

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

''(iv) is not produced from a fuel for which a credit under this section is allowable.'', and

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

''(C) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations or other guidance as the Secretary determines necessary to carry out the purposes of subparagraph (A)(iv).''.

(f) SALES TO UNRELATED PERSONS.—Section 45Z(f)(3) is amended by adding at the end the following: ''The Secretary may prescribe additional related person rules similar to the rule described in the preceding sentence for entities which are not described in such sentence, including rules for related persons with respect to which the taxpayer has reason to believe will sell fuel to an unrelated person in a manner described in subsection (a)(4).''.

(g) TREATMENT OF SUSTAINABLE AVIATION FUEL.—

(1) COORDINATION OF CREDITS.—

(A) IN GENERAL.—Section 6426(k) is amended by adding at the end the following new paragraph:

''(4) COORDINATION OF CREDITS.—With respect to any gallon of sustainable aviation fuel in a qualified mixture, this subsection shall not apply to any such gallon for which a credit under section 45Z is allowable (as determined without regard to subsection (a)(1)(A) of such section).''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to—

(i) fuel sold or used on or after the date of the enactment of this Act, and

(ii) fuel sold or used before the date of enactment of this Act, but only to the extent that claims for the credit under section 6426(k) of the Internal Revenue Code of 1986 with respect to such sale or use have not been paid or allowed as of such date.

(2) ELIMINATION OF SPECIAL RATE.—

(A) IN GENERAL.—Paragraph (3) of section 45Z(a) is amended to read as follows:

''(3) DEFINITION OF SUSTAINABLE AVIATION FUEL.—For purposes of this section, the term 'sustainable aviation fuel' means liquid fuel,

the portion of which is not kerosene, which is sold for use in an aircraft and which—

''(A) meets the requirements of—

''(i) ASTM International Standard D7566, or

''(ii) the Fischer Tropsch provisions of ASTM International Standard D1655, Annex A1, and

''(B) is not derived from palm fatty acid distillates or petroleum.''.

(B) CONFORMING AMENDMENT.—Section 45Z(c)(1) is amended by striking '', the $1.00 amount in subsection (a)(2)(B), the 35 cent amount in subsection (a)(3)(A)(i), and the $1.75 amount in subsection (a)(3)(A)(ii)'' and inserting ''and the $1.00 amount in subsection (a)(2)(B)''.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fuel produced after December 31, 2025.

(h) SUSTAINABLE AVIATION FUEL CREDIT.—Section 6426(k), as amended by the preceding provisions of this Act, is amended by adding at the end the following new paragraph:

''(5) TERMINATION.—This subsection shall not apply to any sale or use for any period after September 30, 2025.''.

(i) REGISTRATION OF PRODUCERS OF FUEL ELIGIBLE FOR CLEAN FUEL PRODUCTION CREDIT.—

(1) IN GENERAL.—Section 13704(b)(5) of Public Law 117-169 is amended by striking ''after 'section 6426(k)(3)),'' and inserting ''after 'section 40B),' ''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to transportation fuel produced after December 31, 2024.

(j) EXTENSION AND MODIFICATION OF SMALL AGRI-BIODIESEL PRODUCER CREDIT.—

(1) IN GENERAL.—Section 40A is amended—

(A) in subsection (b)(4)—

(i) in subparagraph (A), by striking ''10 cents'' and inserting ''20 cents'',

(ii) in subparagraph (B), by inserting ''in a manner which complies with the requirements under section 45Z(f)(1)(A)(iii)'' after ''produced by an eligible small agri-biodiesel producer'', and

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

''(D) COORDINATION WITH CLEAN FUEL PRODUCTION CREDIT.—The credit determined under this paragraph with respect to any gallon of fuel shall be in addition to any credit determined under section 45Z with respect to such gallon of fuel.'', and

(B) in subsection (g), by inserting ''(or, in the case of the small agri-biodiesel producer credit, any sale or use after December 31, 2026)'' after ''December 31, 2024''.

(2) TRANSFER OF CREDIT.—Section 6418(f)(1)(A) is amended by adding at the end the following new clause:

''(xii) So much of the biodiesel fuels credit determined under section 40A which consists of the small agri-biodiesel producer credit determined under subsection (b)(4) of such section.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to fuel sold or used after June 30, 2025.

(k) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

(1) IN GENERAL.—Section 45Z(f) is amended by adding at the end the following new paragraph:

''(8) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—

''(A) IN GENERAL.—No credit shall be determined under subsection (a) for any taxable year beginning after the date of enactment of this paragraph if the taxpayer is a specified foreign entity (as defined in section 7701(a)(51)(B)).

''(B) OTHER PROHIBITED FOREIGN ENTITIES.—No credit shall be determined under subsection (a) for any taxable year beginning after the date which is 2 years after the date of enactment of this paragraph if the taxpayer is a foreign-influenced entity (as defined in section 7701(a)(51)(D), without regard to clause (i)(II) thereof).''.

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

SEC. 70522. RESTRICTIONS ON CARBON OXIDE SEQUESTRATION CREDIT.

(a) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—Section 45Q(f) is amended by adding at the end the following new paragraph:

''(10) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—No credit shall be determined under subsection (a) for any taxable year beginning after the date of enactment of this paragraph if the taxpayer is—

''(A) a specified foreign entity (as defined in section 7701(a)(51)(B)), or

''(B) a foreign-influenced entity (as defined in section 7701(a)(51)(D), determined without regard to clause (i)(II) thereof).''.

(b) PARITY FOR DIFFERENT USES AND UTILIZATIONS OF QUALIFIED CARBON OXIDE.—Section 45Q is amended—

(1) in subsection (a)—

(A) in paragraph (2)(B)(ii), by adding ''and'' at the end,

(B) in paragraph (3), by striking subparagraph (B) and inserting the following:

''(B)(i) disposed of by the taxpayer in secure geological storage and not used by the taxpayer as described in clause (ii) or (iii),

''(ii) used by the taxpayer as a tertiary injectant in a qualified enhanced oil or natural gas recovery project and disposed of by the taxpayer in secure geological storage, or

''(iii) utilized by the taxpayer in a manner described in subsection (f)(5).'', and

(C) by striking paragraph (4),

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B) or (C), the applicable dollar amount shall be an amount equal to—

''(i) for any taxable year beginning in a calendar year after 2024 and before 2027, $17, and

''(ii) for any taxable year beginning in a calendar year after 2026, an amount equal to the product of $17 and the inflation adjustment factor for such calendar year determined under section 43(b)(3)(B) for such calendar year, determined by substituting '2025' for '1990'.'', and

(ii) in subparagraph (B), by striking ''shall be applied'' and all that follows through the period and inserting ''shall be applied by substituting '$36' for '$17' each place it appears.'',

(B) in paragraph (2)(B), by striking ''paragraphs (3)(A) and (4)(A)'' and inserting ''paragraph (3)(A)'', and

(C) in paragraph (3), by striking ''the dollar amounts applicable under paragraph (3) or (4)'' and inserting ''the dollar amount applicable under paragraph (3)'',

(3) in subsection (f)—

(A) in paragraph (5)(B)(i), by striking ''(4)(B)(ii)'' and inserting ''(3)(B)(iii)'', and

(B) in paragraph (9), by striking ''paragraphs (3) and (4) of subsection (a)'' and inserting ''subsection (a)(3)'', and

(4) in subsection (h)(3)(A)(ii), by striking ''paragraph (3)(A) or (4)(A) of subsection (a)'' and inserting ''subsection (a)(3)(A)''.

(c) CONFORMING AMENDMENT.—Section 6417(d)(3)(C)(i)(II)(bb) is amended by striking ''paragraph (3)(A) or (4)(A) of section 45Q(a)'' and inserting ''section 45Q(a)(3)(A)''.

(d) EFFECTIVE DATES.—

(1) RESTRICTIONS RELATING TO PROHIBITED FOREIGN ENTITIES.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of enactment of this Act.

(2) PARITY FOR DIFFERENT USES AND UTILIZATIONS OF QUALIFIED CARBON OXIDE.—The amendments made subsections (b) and (c) shall apply to facilities or equipment placed in service after the date of enactment of this Act.

SEC. 70523. INTANGIBLE DRILLING AND DEVELOPMENT COSTS TAKEN INTO ACCOUNT FOR PURPOSES OF COMPUTING ADJUSTED FINANCIAL STATEMENT INCOME.

(a) IN GENERAL.—Section 56A(c)(13) is amended—

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

''(A) reduced by—

''(i) depreciation deductions allowed under section 167 with respect to property to which section 168 applies to the extent of the amount allowed as deductions in computing taxable income for the year, and

''(ii) any deduction allowed for expenses under section 263(c) (including any deduction for such expenses under section 59(e) or 291(b)(2)) with respect to property described therein to the extent of the amount allowed as deductions in computing taxable income for the year, and'', and

(2) by striking subparagraph (B)(i) and inserting the following:

''(i) to disregard any amount of—

''(I) depreciation expense that is taken into account on the taxpayer's applicable financial statement with respect to such property, and

''(II) depletion expense that is taken into account on the taxpayer's applicable financial statement with respect to the intangible drilling and development costs of such property, and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70524. INCOME FROM HYDROGEN STORAGE, CARBON CAPTURE, ADVANCED NUCLEAR, HYDROPOWER, AND GEOTHERMAL ENERGY ADDED TO QUALIFYING INCOME OF CERTAIN PUBLICLY TRADED PARTNERSHIPS.

(a) IN GENERAL.—Section 7704(d)(1)(E) is amended—

(1) by striking ''income and gains derived from the exploration'' and inserting the following: ''income and gains derived from—

''(i) the exploration''.

(2) by inserting ''or'' before ''industrial source'', and

(3) by striking ''or the transportation or storage'' and all that follows and inserting the following:

''(ii) the transportation or storage of—

''(I) any fuel described in subsection (b), (c), (d), (e), or (k) of section 6426, or any alcohol fuel defined in section 6426(b)(4)(A) or any biodiesel fuel as defined in section 40A(d)(1) or sustainable aviation fuel as defined in section 40B(d)(1), or

''(II) liquified hydrogen or compressed hydrogen,

''(iii) in the case of a qualified facility (as defined in section 45Q(d), without regard to any date by which construction of the facility or equipment is required to begin) not less than 50 percent of the total carbon oxide production of which is qualified carbon oxide (as defined in section 45Q(c))—

''(I) the generation, availability for such generation, or storage of electric power at such facility, or

''(II) the capture of carbon dioxide by such facility,

''(iv) the production of electricity from any advanced nuclear facility (as defined in section 45J(d)(2)),

''(v) the production of electricity or thermal energy exclusively using a qualified energy resource described in subparagraph (D) or (H) of section 45(c)(1), or

''(vi) the operation of energy property described in clause (iii) or (vii) of section 48(a)(3)(A) (determined without regard to any requirement under such section with respect to the date on which construction of property begins).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70525. ALLOW FOR PAYMENTS TO CERTAIN INDIVIDUALS WHO DYE FUEL.

(a) IN GENERAL.—Subchapter B of chapter 65, as amended by the preceding provisions of this Act, is amended by adding at the end the following new section:

''SEC. 6435. DYED FUEL.

''(a) IN GENERAL.—If a person establishes to the satisfaction of the Secretary that such person meets the requirements of subsection (b) with respect to diesel fuel or kerosene, then the Secretary shall pay to such person an amount (without interest) equal to the tax described in subsection (b)(2)(A) with respect to such diesel fuel or kerosene.

''(b) REQUIREMENTS.—

''(1) IN GENERAL.—A person meets the requirements of this subsection with respect to diesel fuel or kerosene if such person removes from a terminal eligible indelibly dyed diesel fuel or kerosene.

''(2) ELIGIBLE INDELIBLY DYED DIESEL FUEL OR KEROSENE DEFINED.—The term 'eligible indelibly dyed diesel fuel or kerosene' means diesel fuel or kerosene—

''(A) with respect to which a tax under section 4081 was previously paid (and not credited or refunded), and

''(B) which is exempt from taxation under section 4082(a).

''(c) CROSS REFERENCE.—For civil penalty for excessive claims under this section, see section 6675.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 6206 is amended—

(A) by striking ''or 6427'' each place it appears and inserting ''6427, or 6435'', and

(B) by striking ''6420 and 6421'' and inserting ''6420, 6421, and 6435''.

(2) Section 6430 is amended—

(A) by striking ''or'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', or'', and by adding at the end the following new paragraph:

''(4) which are removed as eligible indelibly dyed diesel fuel or kerosene under section 6435.''.

(3) Section 6675 is amended—

(A) in subsection (a), by striking ''or 6427 (relating to fuels not used for taxable purposes)'' and inserting ''6427 (relating to fuels not used for taxable purposes), or 6435 (relating to eligible indelibly dyed fuel)'', and

(B) in subsection (b)(1), by striking ''6421, or 6427,'' and inserting ''6421, 6427, or 6435,''.

(4) The table of sections for subchapter B of chapter 65, as amended by the preceding provisions of this Act, is amended by adding at the end the following new item:

''Sec. 6435. Dyed fuel.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to eligible indelibly dyed diesel fuel or kerosene removed on or after the date that is 180 days after the date of the enactment of this section.

Subchapter C—Other Reforms

SEC. 70531. MODIFICATIONS TO DE MINIMIS ENTRY PRIVILEGE FOR COMMERCIAL SHIPMENTS.

(a) CIVIL PENALTY.—

(1) ADDITIONAL PENALTY IMPOSED.—Section 321 of the Tariff Act of 1930 (19 U.S.C. 1321) is amended by adding at the end the following new subsection:

''(c) Any person who enters, introduces, facilitates, or attempts to introduce an article into the United States using the privilege of this section, the importation of which violates any other provision of United States customs law, shall be assessed, in addition to any other penalty permitted by law, a civil penalty of up to $5,000 for the first violation and up to $10,000 for each subsequent violation.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 30 days after the date of the enactment of this Act.

(b) REPEAL OF COMMERCIAL SHIPMENT EXCEPTION.—

(1) REPEAL.—Section 321(a)(2) of such Act (19 U.S.C. 1321(a)(2)) is amended by striking ''of this Act, or'' and all that follows through ''subdivision (2); and'' and inserting ''of this Act; and''.

(2) CONFORMING REPEAL.—Subsection (c) of such section 321, as added by subsection (a) of this section, is repealed.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on July 1, 2027.

CHAPTER 6—ENHANCING DEDUCTION AND INCOME TAX CREDIT GUARDRAILS, AND OTHER REFORMS

SEC. 70601. MODIFICATION AND EXTENSION OF LIMITATION ON EXCESS BUSINESS LOSSES OF NONCORPORATE TAXPAYERS.

(a) RULE MADE PERMANENT.—Section 461(l)(1) is amended by striking ''and before January 1, 2029,'' each place it appears.

(b) ADJUSTMENT OF AMOUNTS FOR CALCULATION OF EXCESS BUSINESS LOSS.—Section 461(l)(3)(C) is amended—

(1) in the matter preceding clause (i), by striking ''December 31, 2018'' and inserting ''December 31, 2025'', and

(2) in clause (ii), by striking ''2017'' and inserting ''2024''.

(c) EFFECTIVE DATES.—

(1) RULE MADE PERMANENT.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2026.

(2) ADJUSTMENT OF AMOUNTS FOR CALCULATION OF EXCESS BUSINESS LOSS.—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 2025.

SEC. 70602. TREATMENT OF PAYMENTS FROM PARTNERSHIPS TO PARTNERS FOR PROPERTY OR SERVICES.

(a) IN GENERAL.—Section 707(a)(2) is amended by striking ''Under regulations prescribed'' and inserting ''Except as provided''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to services performed, and property transferred, after the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section, or the amendments made by this section, shall be construed to create any inference with respect to the proper treatment under section 707(a) of the Internal Revenue Code of 1986 with respect to payments from a partnership to a partner for services performed, or property transferred, on or before the date of the enactment of this Act.

SEC. 70603. EXCESSIVE EMPLOYEE REMUNERATION FROM CONTROLLED GROUP MEMBERS AND ALLOCATION OF DEDUCTION.

(a) APPLICATION OF AGGREGATION RULES.—Section 162(m) is amended by adding at the end the following new paragraph:

''(7) REMUNERATION FROM CONTROLLED GROUP MEMBERS.—

''(A) IN GENERAL.—In the case of any publicly held corporation which is a member of a controlled group—

''(i) paragraph (1) shall be applied by substituting 'specified covered employee' for 'covered employee', and

''(ii) if any person which is a member of such controlled group (other than such publicly held corporation) provides applicable employee remuneration to an individual who is a specified covered employee of such controlled group and the aggregate amount described in subparagraph (B)(ii) with respect to such specified covered employee exceeds $1,000,000—

''(I) paragraph (1) shall apply to such person with respect to such remuneration, and

''(II) paragraph (1) shall apply to such publicly held corporation and to each such related person by substituting 'the allocable limitation amount' for '$1,000,000'.

''(B) ALLOCABLE LIMITATION AMOUNT.—For purposes of this paragraph, the term 'allocable limitation amount' means, with respect to any member of the controlled group referred to in subparagraph (A) with respect to any specified covered employee of such controlled group, the amount which bears the same ratio to $1,000,000 as—

''(i) the amount of applicable employee remuneration provided by such member with respect to such specified covered employee, bears to

''(ii) the aggregate amount of applicable employee remuneration provided by all such members with respect to such specified covered employee.

''(C) SPECIFIED COVERED EMPLOYEE.—For purposes of this paragraph, the term 'specified covered employee' means, with respect to any controlled group—

''(i) any employee described in subparagraph (A), (B), or (D) of paragraph (3), with respect to the publicly held corporation which is a member of such controlled group, and

''(ii) any employee who would be described in subparagraph (C) of paragraph (3) if such subparagraph were applied by taking into account the employees of all members of the controlled group.

''(D) CONTROLLED GROUP.—For purposes of this paragraph, the term 'controlled group' means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70604. EXCISE TAX ON CERTAIN REMITTANCE TRANSFERS.

(a) IN GENERAL.—Chapter 36 is amended by inserting after subchapter B the following new subchapter:

''Subchapter C—Remittance Transfers

''SEC. 4475. IMPOSITION OF TAX.

''(a) IN GENERAL.—There is hereby imposed on any remittance transfer a tax equal to 1 percent of the amount of such transfer.

''(b) PAYMENT OF TAX.—

''(1) IN GENERAL.—The tax imposed by this section with respect to any remittance transfer shall be paid by the sender with respect to such transfer.

''(2) COLLECTION OF TAX.—The remittance transfer provider with respect to any remittance transfer shall collect the amount of the tax imposed under subsection (a) with respect to such transfer from the sender and remit such tax quarterly to the Secretary at such time and in such manner as provided by the Secretary,

''(3) SECONDARY LIABILITY.—Where any tax imposed by subsection (a) is not paid at the time the transfer is made, then to the extent that such tax is not collected, such tax shall be paid by the remittance transfer provider.

''(c) TAX LIMITED TO CASH AND SIMILAR INSTRUMENTS.—The tax imposed under subsection (a) shall apply only to any remittance transfer for which the sender provides cash, a money order, a cashier's check, or any other similar physical instrument (as determined by the Secretary) to the remittance transfer provider.

''(d) NONAPPLICATION TO CERTAIN NONCASH REMITTANCE TRANSFERS.—Subsection (a) shall not apply to any remittance transfer for which the funds being transferred are—

''(1) withdrawn from an account held in or by a financial institution—

''(A) which is described in subparagraphs (A) through (H) of section 5312(a)(2) of title 31, United States Code, and

''(B) that is subject to the requirements under subchapter II of chapter 53 of such title, or

''(2) funded with a debit card or a credit card which is issued in the United States.

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

''(1) IN GENERAL.—The terms 'remittance transfer', 'remittance transfer provider', and 'sender' shall each have the respective meanings given such terms by section 919(g) of the Electronic Fund Transfer Act (15 U.S.C. 1693o–1(g)).

''(2) CREDIT CARD.—The term 'credit card' has the same meaning given such term under section 920(c)(3) of the Electronic Fund Transfer Act (15 U.S.C. 1693o–2(c)(3)).

''(3) DEBIT CARD.—The term 'debit card' has the same meaning given such term under section 920(c)(2) of the Electronic Fund Transfer Act (15 U.S.C. 1693o–2(c)(2)), without regard to subparagraph (B) of such section.

''(f) APPLICATION OF ANTI-CONDUIT RULES.—For purposes of section 7701(l), with respect to any multiple-party arrangements involving the sender, a remittance transfer shall be treated as a financing transaction.''.

(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 36 is amended by inserting after the item relating to subchapter B the following new item:

''SUBCHAPTER C—REMITTANCE TRANSFERS''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after December 31, 2025.

SEC. 70605. ENFORCEMENT PROVISIONS WITH RESPECT TO COVID-RELATED EMPLOYEE RETENTION CREDITS.

(a) ASSESSABLE PENALTY FOR FAILURE TO COMPLY WITH DUE DILIGENCE REQUIREMENTS.—

(1) IN GENERAL.—Any COVID–ERTC promoter which provides aid, assistance, or advice with respect to any COVID–ERTC document and which fails to comply with due diligence requirements imposed by the Secretary with respect to determining eligibility for, or the amount of, any credit or advance payment of a credit under section 3134 of the Internal Revenue Code of 1986, shall pay a penalty of $1,000 for each such failure.

(2) DUE DILIGENCE REQUIREMENTS.—The due diligence requirements referred to in paragraph (1) shall be similar to the due diligence requirements imposed under section 6695(g) of the Internal Revenue Code of 1986.

(3) RESTRICTION TO DOCUMENTS USED IN CONNECTION WITH RETURNS OR CLAIMS FOR REFUND.—Paragraph (1) shall not apply with respect to any COVID–ERTC document unless such document constitutes, or relates to, a return or claim for refund.

(4) TREATMENT AS ASSESSABLE PENALTY, ETC.—For purposes of the Internal Revenue Code of 1986, the penalty imposed under paragraph (1) shall be treated as a penalty which is imposed under section 6695(g) of such Code and assessed under section 6201 of such Code.

(5) SECRETARY.—For purposes of this subsection, the term ''Secretary'' means the Secretary of the Treasury or the Secretary's delegate.

(b) COVID–ERTC PROMOTER.—For purposes of this section—

(1) IN GENERAL.—The term ''COVID–ERTC promoter'' means, with respect to any COVID–ERTC document, any person which provides aid, assistance, or advice with respect to such document if—

(A) such person charges or receives a fee for such aid, assistance, or advice which is based on the amount of the refund or credit with respect to such document and, with respect to such person's taxable year in which such person provided such assistance or the preceding taxable year, the aggregate of the gross receipts of such person for aid, assistance, and advice with respect to all COVID-ERTC documents exceeds 20 percent of the gross receipts of such person for such taxable year, or

(B) with respect to such person's taxable year in which such person provided such assistance or the preceding taxable year—

(i) the aggregate of the gross receipts of such person for aid, assistance, and advice with respect to all COVID–ERTC documents exceeds 50 percent of the gross receipts of such person for such taxable year, or

(ii) both—

(I) such aggregate gross receipts exceed 20 percent of the gross receipts of such person for such taxable year, and

(II) the aggregate of the gross receipts of such person for aid, assistance, and advice with respect to all COVID–ERTC documents (determined after application of paragraph (3)) exceeds $500,000.

(2) EXCEPTION FOR CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The term ''COVID–ERTC promoter'' shall not include a certified professional employer organization (as defined in section 7705 of the Internal Revenue Code of 1986).

(3) AGGREGATION RULE.—For purposes of paragraph (1), all persons treated as a single employer under subsection (a) or (b) of section 52 of the Internal Revenue Code of 1986, or subsection (m) or (o) of section 414 of such Code, shall be treated as 1 person.

(4) SHORT TAXABLE YEARS.—In the case of any taxable year of less than 12 months, a person shall be treated as a COVID-ERTC promoter if such person is described in paragraph (1) either with respect to such taxable year or by treating any reference to such taxable year as a reference to the calendar year in which such taxable year begins.

(c) COVID–ERTC DOCUMENT.—For purposes of this section, the term ''COVID–ERTC document'' means any return, affidavit, claim, or other document related to any credit or advance payment of a credit under section 3134 of the Internal Revenue Code of 1986, including any document related to eligibility for, or the calculation or determination of any amount directly related to, any such credit or advance payment.

(d) LIMITATION ON CREDITS AND REFUNDS.—Notwithstanding section 6511 of the Internal Revenue Code of 1986, no credit under section 3134 of the Internal Revenue Code of 1986 shall be allowed, and no refund with respect to any such credit shall be made, after the date of the enactment of this Act, unless a claim for such credit or refund was filed by the taxpayer on or before January 31, 2024.

(e) EXTENSION OF LIMITATION ON ASSESSMENT.—Section 3134(l) is amended to read as follows:

''(l) EXTENSION OF LIMITATION ON ASSESSMENT.—

''(1) IN GENERAL.—Notwithstanding section 6501, the limitation on the time period for the assessment of any amount attributable to a credit claimed under this section shall not expire before the date that is 6 years after the latest of—

''(A) the date on which the original return which includes the calendar quarter with respect to which such credit is determined is filed,

''(B) the date on which such return is treated as filed under section 6501(b)(2), or

''(C) the date on which the claim for credit or refund with respect to such credit is made.

''(2) DEDUCTION FOR WAGES TAKEN INTO ACCOUNT IN DETERMINING IMPROPERLY CLAIMED CREDIT.—

''(A) IN GENERAL.—Notwithstanding section 6511, in the case of an assessment attributable to a credit claimed under this section, the limitation on the time period for credit or refund of any amount attributable to a deduction for improperly claimed ERTC wages shall not expire before the time period for such assessment expires under paragraph (1).

''(B) IMPROPERLY CLAIMED ERTC WAGES.—For purposes of this paragraph, the term 'improperly claimed ERTC wages' means, with respect to an assessment attributable to a credit claimed under this section, the wages with respect to which a deduction would not have been allowed if the portion of the credit to which such assessment relates had been properly claimed.''.

(f) AMENDMENT TO PENALTY FOR ERRONEOUS CLAIM FOR REFUND OR CREDIT.—Section 6676(a) is amended by striking ''income tax'' and inserting ''income or employment tax''.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The provisions of this section shall apply to aid, assistance, and advice provided after the date of the enactment of this Act.

(2) LIMITATION ON CREDITS AND REFUNDS.—Subsection (d) shall apply to credits and refunds allowed or made after the date of the enactment of this Act.

(3) EXTENSION OF LIMITATION ON ASSESSMENT.—The amendment made by subsection (e) shall apply to assessments made after the date of the enactment of this Act.

(4) AMENDMENT TO PENALTY FOR ERRONEOUS CLAIM FOR REFUND OR CREDIT.—The amendment made by subsection (f) shall apply to claims for credit or refund after the date of the enactment of this Act.

(h) REGULATIONS.—The Secretary (as defined in subsection (a)(5)) shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section (and the amendments made by this section).

SEC. 70606. SOCIAL SECURITY NUMBER REQUIREMENT FOR AMERICAN OPPORTUNITY AND LIFETIME LEARNING CREDITS.

(a) SOCIAL SECURITY NUMBER OF TAXPAYER REQUIRED.—Section 25A(g)(1) is amended to read as follows:

''(1) IDENTIFICATION REQUIREMENT.—

''(A) SOCIAL SECURITY NUMBER REQUIREMENT.—No credit shall be allowed under subsection (a) to an individual unless the individual includes on the return of tax for the taxable year—

''(i) such individual's social security number, and

''(ii) in the case of a credit with respect to the qualified tuition and related expenses of an individual other than the taxpayer or the taxpayer's spouse, the name and social security number of such individual.

''(B) INSTITUTION.—No American Opportunity Tax Credit shall be allowed under this section unless the taxpayer includes the employer identification number of any institution to which the taxpayer paid qualified tuition and related expenses taken into account under this section on the return of tax for the taxable year.

''(C) SOCIAL SECURITY NUMBER DEFINED.—For purposes of this paragraph, the term 'social security number' shall have the meaning given such term in section 24(h)(7).''.

(b) OMISSION TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2)(J) is amended by striking ''TIN'' and inserting ''social security number or employer identification number''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 70607. TASK FORCE ON THE REPLACEMENT OF DIRECT FILE.

Out of any money in the Treasury not otherwise appropriated, there is hereby appropriated for the fiscal year ending September 30, 2026, $15,000,000, to remain available until September 30, 2026, for necessary expenses of the Department of the Treasury to deliver to Congress, within 90 days following the date of the enactment of this Act, a report on—

(1) the cost of enhancing and establishing public-private partnerships which provide for free tax filing for up to 70 percent of all taxpayers calculated by adjusted gross income, and to replace any direct e-file programs run by the Internal Revenue Service;

(2) taxpayer opinions and preferences regarding a taxpayer-funded, government-run service or a free service provided by the private sector;

(3) assessment of the feasibility of a new approach, how to make the options consistent and simple for taxpayers across all participating providers, and how to provide features to address taxpayer needs; and

(4) the cost (including options for differential coverage based on taxpayer adjusted gross income and return complexity) of developing and running a free direct e-file tax return system, including costs to build and administer each release.

Subtitle B—Health

CHAPTER 1—MEDICAID

Subchapter A—Reducing Fraud and Improving Enrollment Processes

SEC. 71101. MORATORIUM ON IMPLEMENTATION OF RULE RELATING TO ELIGIBILITY AND ENROLLMENT IN MEDICARE SAVINGS PROGRAMS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall not, during the period beginning on the date of the enactment of this section and ending September 30, 2034, implement, administer, or enforce the amendments made by the provisions of the final rule published by the Centers for Medicare & Medicaid Services on September 21, 2023, and titled ''Streamlining Medicaid; Medicare Savings Program Eligibility Determination and Enrollment'' (88 Fed. Reg. 65230) to the following sections of title 42, Code of Federal Regulations:

(1) Section 406.21(c).
(2) Section 435.4.
(3) Section 435.601.
(4) Section 435.911.
(5) Section 435.952.

(b) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of this section and section 71102, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $1,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71102. MORATORIUM ON IMPLEMENTATION OF RULE RELATING TO ELIGIBILITY AND ENROLLMENT FOR MEDICAID, CHIP, AND THE BASIC HEALTH PROGRAM.

The Secretary of Health and Human Services shall not, during the period beginning on the date of the enactment of this section and ending September 30, 2034, implement, administer, or enforce the amendments made by the provisions of the final rule published by the Centers for Medicare & Medicaid Services on April 2, 2024, and titled ''Medicaid Program; Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes'' (89 Fed. Reg. 22780) to the following sections of title 42, Code of Federal Regulations:

(1) PART 431.—
(A) Section 431.213(d).
(2) PART 435.—
(A) Section 435.222.
(B) Section 435.407.
(C) Section 435.907.
(D) Section 435.911(c).
(E) Section 435.912.
(F) Section 435.916.
(G) Section 435.919.
(H) Section 435.1200(b)(3)(i)-(v).
(I) Section 435.1200(e)(1)(ii).
(J) Section 435.1200(h)(1).
(3) PART 447.—Section 447.56(a)(1)(v).
(4) PART 457.—
(A) Section 457.344.
(B) Section 457.960.
(C) Section 457.1140(d)(4).
(D) Section 457.1170.
(E) Section 457.1180.

SEC. 71103. REDUCING DUPLICATE ENROLLMENT UNDER THE MEDICAID AND CHIP PROGRAMS.

(a) MEDICAID.—

(1) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(A) in subsection (a)—

(i) in paragraph (86), by striking ''and'' at the end;

(ii) in paragraph (87), by striking the period and inserting ''; and''; and

(iii) by inserting after paragraph (87) the following new paragraph:

''(88) provide—

''(A) beginning not later than January 1, 2027, in the case of 1 of the 50 States and the District of Columbia, for a process to regularly obtain address information for individuals enrolled under such plan (or a waiver of such plan) in accordance with subsection (vv); and

''(B) beginning not later than October 1, 2029—

''(i) for the State to submit to the system established by the Secretary under subsection (uu), with respect to an individual enrolled or seeking to enroll under such plan, not less frequently than once each month and during each determination or redetermination of the eligibility of such individual for medical assistance under such plan (or waiver of such plan)—

''(I) the social security number of such individual, if such individual has a social security number and is required to provide such number to enroll under such plan (or waiver); and

''(II) such other information with respect to such individual as determined necessary by the Secretary for purposes of preventing individuals from simultaneously being enrolled under State plans (or waivers of such plans) of multiple States;

''(ii) for the use of such system to prevent such simultaneous enrollment; and

''(iii) in the case that such system indicates that an individual enrolled or seeking to enroll under such plan (or waiver of such plan) is enrolled under a State plan (or waiver of such a plan) of another State, for the taking of appropriate action (as determined by the Secretary) to identify whether such an individual resides in the State and disenroll an individual from the State plan of such State if such individual does not reside in such State (unless such individual meets such an exception as the Secretary may specify).''; and

(B) by adding at the end the following new subsections:

''(uu) PREVENTION OF ENROLLMENT UNDER MULTIPLE STATE PLANS.—

''(1) IN GENERAL.—Not later than October 1, 2029, the Secretary shall establish a system to be utilized by the Secretary and States to prevent an individual from being simultaneously enrolled under the State plans (or waivers of such plans) of multiple States. Such system shall—

''(A) provide for the receipt of information submitted by a State under subsection (a)(88)(B)(i); and

''(B) not less than once each month, transmit information to a State (or allow the Secretary to transmit information to a State) regarding whether an individual enrolled or seeking to enroll under the State plan of such State (or waiver of such plan) is enrolled under the State plan (or waiver of such plan) of another State.

''(2) STANDARDS.—The Secretary shall establish such standards as determined necessary by the Secretary to limit and protect information submitted under such system and ensure the privacy of such information, consistent with subsection (a)(7).

''(3) IMPLEMENTATION FUNDING.—There are appropriated to the Administrator of the Centers for Medicare & Medicaid Services, out of amounts in the Treasury not otherwise appropriated, in addition to amounts otherwise available—

''(A) for fiscal year 2026, $10,000,000 for purposes of establishing the system and standards required under this subsection, to remain available until expended; and

''(B) for fiscal year 2029, $20,000,000 for purposes of maintaining such system, to remain available until expended.

''(vv) PROCESS TO OBTAIN ENROLLEE ADDRESS INFORMATION.—

''(1) IN GENERAL.—For purposes of subsection (a)(88)(A), a process to regularly obtain address information for individuals enrolled under a State plan (or a waiver of such plan) shall obtain address information from reliable data sources described in paragraph (2) and take such actions as the Secretary shall specify with respect to any changes to such address based on such information.

''(2) RELIABLE DATA SOURCES DESCRIBED.—For purposes of paragraph (1), the reliable data sources described in this paragraph are the following:

''(A) Mail returned to the State by the United States Postal Service with a forwarding address.

''(B) The National Change of Address Database maintained by the United States Postal Service.

''(C) A managed care entity (as defined in section 1932(a)(1)(B)) or prepaid inpatient health plan or prepaid ambulatory health plan (as such terms are defined in section 1903(m)(9)(D)) that has a contract under the State plan if the address information is provided to such entity or plan directly from, or verified by such entity or plan directly with, such individual.

''(D) Other data sources as identified by the State and approved by the Secretary.''.

(2) CONFORMING AMENDMENTS.—

(A) PARIS.—Section 1903(r)(3) of the Social Security Act (42 U.S.C. 1396b(r)(3)) is amended—

(i) by striking ''In order'' and inserting ''(A) In order'';

(ii) by striking ''through the Public'' and inserting ''through—

''(i) the Public'';

(iii) by striking the period at the end and inserting ''; and

''(ii) beginning October 1, 2029, the system established by the Secretary under section 1902(uu).''; and

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

''(B) Beginning October 1, 2029, the Secretary may determine that a State is not required to have in operation an eligibility determination system which provides for data matching (for purposes of address verification under section 1902(vv)) through the system described in subparagraph (A)(i) to meet the requirements of this paragraph.''.

(B) MANAGED CARE.—Section 1932 of the Social Security Act (42 U.S.C. 1396u–2) is amended by adding at the end the following new subsection:

''(j) TRANSMISSION OF ADDRESS INFORMATION.—Beginning January 1, 2027, each contract under a State plan with a managed care entity (as defined in section 1932(a)(1)(B)) or with a prepaid inpatient health plan or prepaid ambulatory health plan (as such terms are defined in section 1903(m)(9)(D)), shall provide that such entity or plan shall promptly transmit to the State any address information for an individual enrolled with such entity or plan that is provided to such entity or plan directly from, or verified by such entity or plan directly with, such individual.''.

(b) CHIP.—

(1) IN GENERAL.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

(A) by redesignating subparagraphs (H) through (U) as subparagraphs (I) through (V), respectively; and

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

''(H) Section 1902(a)(88) (relating to address information for enrollees and prevention of simultaneous enrollments).''.

(2) MANAGED CARE.—Section 2103(f)(3) of the Social Security Act (42 U.S.C. 1397cc(f)(3)) is amended by striking ''and (e)'' and inserting ''(e), and (j)''.

SEC. 71104. ENSURING DECEASED INDIVIDUALS DO NOT REMAIN ENROLLED.

Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by section 71103, is further amended—

(1) in subsection (a)—

(A) in paragraph (87), by striking ''; and'' and inserting a semicolon;

(B) in paragraph (88), by striking the period at the end and inserting ''; and''; and

(C) by inserting after paragraph (88) the following new paragraph:

''(89) provide that the State shall comply with the eligibility verification requirements under subsection (ww), except that this paragraph shall apply only in the case of the 50 States and the District of Columbia.''; and

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

''(ww) VERIFICATION OF CERTAIN ELIGIBILITY CRITERIA.—

''(1) IN GENERAL.—For purposes of subsection (a)(89), the eligibility verification requirements, beginning January 1, 2027, are as follows:

''(A) QUARTERLY SCREENING TO VERIFY ENROLLEE STATUS.—The State shall, not less frequently than quarterly, review the Death Master File (as such term is defined in section 203(d) of the Bipartisan Budget Act of 2013) or a successor system that provides such information needed to determine whether any individuals enrolled for medical assistance under the State plan (or waiver of such plan) are deceased.

''(B) DISENROLLMENT UNDER STATE PLAN.—If the State determines, based on information obtained from the Death Master File, that an individual enrolled for medical assistance under the State plan (or waiver of such plan) is deceased, the State shall—

''(i) treat such information as factual information confirming the death of a beneficiary;

''(ii) disenroll such individual from the State plan (or waiver of such plan) in accordance with subsection (a)(3); and

''(iii) discontinue any payments for medical assistance under this title made on behalf of such individual (other than payments for any items or services furnished to such individual prior to the death of such individual).

''(C) REINSTATEMENT OF COVERAGE IN THE EVENT OF ERROR.—If a State determines that an individual was misidentified as deceased based on information obtained from the Death Master File and was erroneously disenrolled from medical assistance under the State plan (or waiver of such plan) based on such misidentification, the State shall immediately re-enroll such individual under the State plan (or waiver of such plan), retroactive to the date of such disenrollment.

''(2) RULE OF CONSTRUCTION.—Nothing under this subsection shall be construed to preclude the ability of a State to use other electronic data sources to timely identify potentially deceased beneficiaries, so long as the State is also in compliance with the requirements of this subsection (and all other requirements under this title relating to Medicaid eligibility determination and redetermination).''.

SEC. 71105. ENSURING DECEASED PROVIDERS DO NOT REMAIN ENROLLED.

Section 1902(kk)(1) of the Social Security Act (42 U.S.C. 1396a(kk)(1)) is amended—

(1) by striking ''The State'' and inserting: ''(A) IN GENERAL.—The State''; and

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

''(B) PROVIDER SCREENING AGAINST DEATH MASTER FILE.—Beginning January 1, 2028, as part of the enrollment (or reenrollment or revalidation of enrollment) of a provider or supplier under this title, and not less frequently than quarterly during the period that such provider or supplier is so enrolled, the State conducts a check of the Death Master File (as such term is defined in section 203(d) of the Bipartisan Budget Act of 2013) to determine whether such provider or supplier is deceased.''.

SEC. 71106. PAYMENT REDUCTION RELATED TO CERTAIN ERRONEOUS EXCESS PAYMENTS UNDER MEDICAID.

(a) IN GENERAL.—Section 1903(u)(1) of the Social Security Act (42 U.S.C. 1396b(u)(1)) is amended—

(1) in subparagraph (A)—

(A) by inserting ''for audits conducted by the Secretary, or, at the option of the Secretary, audits conducted by the State'' after ''exceeds 0.03''; and

(B) by inserting '', to the extent practicable'' before the period at the end;

(2) in subparagraph (B)—

(A) by striking ''The Secretary'' and inserting ''(i) Subject to clause (ii), the Secretary''; and

(B) by adding at the end the following new clause:

''(ii) The amount waived under clause (i) for a fiscal year may not exceed an amount equal to the erroneous excess payments for medical assistance described in subparagraph (D)(i)(II) made for such fiscal year that exceed the allowable error rate of 0.03.''.

(3) in subparagraph (C), by striking ''he'' in each place it appears and inserting ''the Secretary'' in each such place; and

(4) in subparagraph (D)(i)—

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

(B) in subclause (II), by striking the period at the end and inserting '', or payments where insufficient information is available to confirm eligibility, and''; and

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

''(III) payments (other than payments described in subclause (I)) for items and services furnished to an individual who is not eligible for medical assistance under the State plan (or a waiver of such plan) with respect to such items and services, or payments where insufficient information is available to confirm eligibility.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply beginning with respect to fiscal year 2030.

SEC. 71107. ELIGIBILITY REDETERMINATIONS.

(a) IN GENERAL.—Section 1902(e)(14) of the Social Security Act (42 U.S.C. 1396a(e)(14)) is amended by adding at the end the following new subparagraph:

''(L) FREQUENCY OF ELIGIBILITY REDETERMINATIONS FOR CERTAIN INDIVIDUALS.—

''(i) IN GENERAL.—Subject to clause (ii), with respect to redeterminations of eligibility for medical assistance under a State plan (or waiver of such plan) scheduled on or after the first day of the first quarter that begins after December 31, 2026, a State shall make such a redetermination once every 6 months for the following individuals:

''(I) Individuals enrolled under subsection (a)(10)(A)(i)(VIII).

''(II) Individuals described in such subsection who are otherwise enrolled under a waiver of such plan that provides coverage that is equivalent to minimum essential coverage (as described in section 5000A(f)(1)(A) of the Internal Revenue Code of 1986 and determined in accordance with standards prescribed by the Secretary in regulations) to all individuals described in subsection (a)(10)(A)(i)(VIII).

''(ii) EXEMPTION.—The requirements described in clause (i) shall not apply to any individual described in subsection (xx)(9)(A)(ii)(II).

''(iii) STATE DEFINED.—For purposes of this subparagraph, the term 'State' means 1 of the 50 States or the District of Columbia.''.

(b) GUIDANCE.—Not later than 180 days after the date of enactment of this section, the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall issue guidance relating to the implementation of the amendments made by this section.

(c) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $75,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71108. REVISING HOME EQUITY LIMIT FOR DETERMINING ELIGIBILITY FOR LONG-TERM CARE SERVICES UNDER THE MEDICAID PROGRAM.

(a) REVISING HOME EQUITY LIMIT.—Section 1917(f)(1) of the Social Security Act (42 U.S.C. 1396p(f)(1)) is amended—

(1) in subparagraph (B)—

(A) by striking ''A State'' and inserting ''(i) A State'';

(B) in clause (i), as inserted by subparagraph (A)—

(i) by striking ''$500,000'' and inserting ''the amount specified in subparagraph (A)''; and

(ii) by inserting '', in the case of an individual's home that is located on a lot that is zoned for agricultural use,'' after ''apply subparagraph (A)''; and

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

''(ii) A State may elect, without regard to the requirements of section 1902(a)(1) (relating to statewideness) and section 1902(a)(10)(B) (relating to comparability), to apply subparagraph (A), in the case of an individual's home that is not described in

clause (i), by substituting for the amount specified in such subparagraph, an amount that exceeds such amount, but does not exceed $1,000,000.''; and

(2) in subparagraph (C)—

(A) by inserting ''(other than the amount specified in subparagraph (B)(ii) (relating to certain non-agricultural homes))'' after ''specified in this paragraph''; and

(B) by adding at the end the following new sentence: ''In the case that application of the preceding sentence would result in a dollar amount (other than the amount specified in subparagraph (B)(i) (relating to certain agricultural homes)) exceeding $1,000,000, such amount shall be deemed to be equal to $1,000,000.''.

(b) CLARIFICATION.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (r)(2), by adding at the end the following new subparagraph:

''(C) This paragraph shall not be construed as permitting a State to determine the eligibility of an individual for medical assistance with respect to nursing facility services or other long-term care services without application of the limit under section 1917(f)(1).''; and

(2) in subsection (e)(14)(D)(iv)—

(A) by striking ''Subparagraphs'' and inserting

''(I) IN GENERAL.—Subparagraphs''; and

(B) by adding at the end the following new subclause:

''(II) APPLICATION OF HOME EQUITY INTEREST LIMIT.—Section 1917(f) shall apply for purposes of determining the eligibility of an individual for medical assistance with respect to nursing facility services or other long-term care services.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply beginning on January 1, 2028.

SEC. 71109. ALIEN MEDICAID ELIGIBILITY.

(a) MEDICAID.—Section 1903(v) of the Social Security Act (42 U.S.C. 1396b(v)) is amended—

(1) in paragraph (1), by striking ''and (4)''and inserting '', (4), and (5)''; and

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

''(5) Notwithstanding the preceding paragraphs of this subsection, beginning on October 1, 2026, except as provided in paragraphs (2) and (4), in no event shall payment be made to a State under this section for medical assistance furnished to an individual unless such individual is—

''(A) a resident of 1 of the 50 States, the District of Columbia, or a territory of the United States; and

''(B) either—

''(i) a citizen or national of the United States;

''(ii) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act, excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country;

''(iii) an alien who has been granted the status of Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96–422); or

''(iv) an individual who lawfully resides in the United States in accordance with a Compact of Free Association referred to in section 402(b)(2)(G) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.''.

(b) CHIP.—Section 2107(e)(1) of the Social Security Act, as amended by section 71103(b), is further amended—

(1) by redesignating subparagraphs (R) through (V) as paragraphs (S) through (W), respectively; and

(2) by inserting after paragraph (Q) the following:

''(R) Section 1903(v)(5) (relating to payments for medical assistance furnished to aliens), except in relation to payments for services provided under section 2105(a)(1)(D)(ii).''.

(c) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $15,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71110. EXPANSION FMAP FOR EMERGENCY MEDICAID.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following new subsection:

''(kk) FMAP FOR TREATMENT OF AN EMERGENCY MEDICAL CONDITION.—Notwithstanding subsection (y) and (z), beginning on October 1, 2026, the Federal medical assistance percentage for payments for care and services described in paragraph (2) of subsection 1903(v) furnished to an alien described in paragraph (1) of such subsection shall not exceed the Federal medical assistance percentage determined under subsection (b) for such State.''.

(b) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $1,000,000 for fiscal year 2026, to remain available until expended.

Subchapter B—Preventing Wasteful Spending

SEC. 71111. MORATORIUM ON IMPLEMENTATION OF RULE RELATING TO STAFFING STANDARDS FOR LONG-TERM CARE FACILITIES UNDER THE MEDICARE AND MEDICAID PROGRAMS.

The Secretary of Health and Human Services shall not, during the period beginning on the date of the enactment of this section and ending September 30, 2034, implement, administer, or enforce the amendments made by the provisions of the final rule published by the Centers for Medicare & Medicaid Services on May 10, 2024, and titled ''Medicare and Medicaid Programs; Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting'' (89 Fed. Reg. 40876) to the following sections of part 483 of title 42, Code of Federal Regulations:

(1) Section 483.5.

(2) Section 483.35.

SEC. 71112. REDUCING STATE MEDICAID COSTS.

(a) IN GENERAL.—Section 1902(a)(34) of the Social Security Act (42 U.S.C. 1396a(a)(34)) is amended to read as follows:

''(34) provide that in the case of any individual who has been determined to be eligible for medical assistance under the plan and—

''(A) is enrolled under paragraph (10)(A)(i)(VIII), such assistance will be made available to the individual for care and services included under the plan and furnished in or after the month before the month in which the individual made application (or application was made on the individual's behalf in the case of a deceased individual) for such assistance if such individual was (or upon application would have been) eligible for such assistance at the time such care and services were furnished; or

''(B) is not described in subparagraph (A), such assistance will be made available to the individual for care and services included under the plan and furnished in or after the second month before the month in which the individual made application (or application was made on the individual's behalf in the case of a deceased individual) for such assistance if such individual was (or upon application would have been) eligible for such assistance at the time such care and services were furnished;''.

(b) DEFINITION OF MEDICAL ASSISTANCE.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended by striking ''in or after the third month before the month in which the recipient makes application for assistance'' and inserting '', with respect to an individual described in section 1902(a)(34)(A), in or after the month before the month in which the recipient makes application for assistance, and with respect to an individual described in section 1902(a)(34)(B), in or after the second month before the month in which the recipient makes application for assistance''.

(c) CHIP.—Section 2102(b)(1)(B) of the Social Security Act (42 U.S.C. 1397bb(b)(1)(B)) is amended—

(1) in clause (iv), by striking ''and'' at the end;

(2) in clause (v), by striking the period and inserting ''; and''; and

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

''(vi) shall, in the case that the State elects to provide child health or pregnancy-related assistance to an individual for any period prior to the month in which the individual made application for such assistance (or application was made on behalf of the individual), provide that such assistance is not made available to such individual for items and services included under the State child health plan (or waiver of such plan) that are furnished before the second month preceding the month in which such individual made application (or application was made on behalf of such individual) for assistance.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance, child health assistance, and pregnancy-related assistance with respect to individuals whose eligibility for such medical assistance, child health assistance, or pregnancy-related assistance is based on an application made on or after the first day of the first quarter that begins after December 31, 2026.

(e) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $10,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71113. FEDERAL PAYMENTS TO PROHIBITED ENTITIES.

(a) IN GENERAL.—No Federal funds that are considered direct spending and provided to carry out a State plan under title XIX of the Social Security Act or a waiver of such a plan shall be used to make payments to a prohibited entity for items and services furnished during the 1-year period beginning on the date of the enactment of this Act, including any payments made directly to the prohibited entity or under a contract or other arrangement between a State and a covered organization.

(b) DEFINITIONS.—In this section:

(1) PROHIBITED ENTITY.—The term ''prohibited entity'' means an entity, including its affiliates, subsidiaries, successors, and clinics—

(A) that, as of the first day of the first quarter beginning after the date of enactment of this Act—

(i) is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

(ii) is an essential community provider described in section 156.235 of title 45, Code of Federal Regulations (as in effect on the date of enactment of this Act), that is primarily engaged in family planning services, reproductive health, and related medical care; and

(iii) provides for abortions, other than an abortion—

(I) if the pregnancy is the result of an act of rape or incest; or

(II) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed; and

(B) for which the total amount of Federal and State expenditures under the Medicaid program under title XIX of the Social Security Act for medical assistance furnished in fiscal year 2023 made directly, or by a covered organization, to the entity or to any affiliates, subsidiaries, successors, or clinics of the entity, or made to the entity or to any affiliates, subsidiaries, successors, or clinics of the entity as part of a nationwide health care provider network, exceeded $800,000.

(2) DIRECT SPENDING.—The term ''direct spending'' has the meaning given that term under section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)).

(3) COVERED ORGANIZATION.—The term ''covered organization'' means a managed care entity (as defined in section 1932(a)(1)(B) of the Social Security Act (42 U.S.C. 1396u–2(a)(1)(B))) or a prepaid inpatient health plan or prepaid ambulatory health plan (as such terms are defined in section 1903(m)(9)(D) of such Act (42 U.S.C. 1396b(m)(9)(D))).

(4) STATE.—The term ''State'' has the meaning given such term in section 1101 of the Social Security Act (42 U.S.C. 1301).

(c) IMPLEMENTATION FUNDING.—For the purposes of carrying out this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $1,000,000 for fiscal year 2026, to remain available until expended.

Subchapter C—Stopping Abusive Financing Practices

SEC. 71114. SUNSETTING INCREASED FMAP INCENTIVE.

Section 1905(ii)(3) of the Social Security Act (42 U.S.C. 1396d(ii)(3)) is amended—

(1) by striking ''which has not'' and inserting the following: ''which—

''(A) has not'';

(2) in subparagraph (A), as so inserted, by striking the period at the end and inserting ''; and''; and

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

''(B) begins to expend amounts for all such individuals prior to January 1, 2026.''.

SEC. 71115. PROVIDER TAXES.

(a) CHANGE IN THRESHOLD FOR HOLD HARMLESS PROVISION OF BROAD-BASED HEALTH CARE RELATED TAXES.—Section 1903(w)(4) of the Social Security Act (42 U.S.C. 1396b(w)(4)) is amended—

(1) in subparagraph (C)(ii), by inserting '', and for fiscal years beginning on or after October 1, 2026, the applicable percent determined under subparagraph (D) shall be substituted for '6 percent' each place it appears'' after ''each place it appears''; and

(2) by inserting after subparagraph (C)(ii), the following new subparagraph:

''(D)(i) For purposes of subparagraph (C)(ii), the applicable percent determined under this subparagraph is—

''(I) in the case of a non-expansion State or unit of local government in such State and a class of health care items or services described in section 433.56(a) of title 42, Code of Federal Regulations (as in effect on May 1, 2025)—

''(aa) if, on the date of enactment of this subparagraph, the non-expansion State or unit of local government in such State has enacted a tax and imposes such tax on such class and the Secretary determines that the tax is within the hold harmless threshold as of that date, the applicable percent of net patient revenue attributable to such class that has been so determined; and

''(bb) if, on the date of enactment of this subparagraph, the non-expansion State or unit of local government in such State has not enacted or does not impose a tax with respect to such class, 0 percent; and

''(II) in the case of an expansion State or unit of local government in such State and a class of health care items or services described in section 433.56(a) of title 42, Code of Federal Regulations (as in effect on May 1, 2025), subject to clause (iv)—

''(aa) if, on the date of enactment of this subparagraph, the expansion State or unit of local government in such State has enacted a tax and imposes such tax on such class and the Secretary determines that the tax is within the hold harmless threshold as of that date, the lower of—

''(AA) the applicable percent of net patient revenue attributable to such class that has been so determined; and

''(BB) the applicable percent specified in clause (ii) for the fiscal year; and

''(bb) if, on the date of enactment of this subparagraph, the expansion State or unit of local government in such State has not enacted or does not impose a tax with respect to such class, 0 percent.

''(ii) For purposes of clause (i)(II)(aa)(BB), the applicable percent is—

''(I) for fiscal year 2028, 5.5 percent;

''(II) for fiscal year 2029, 5 percent;

''(III) for fiscal year 2030, 4.5 percent;

''(IV) for fiscal year 2031, 4 percent; and

''(V) for fiscal year 2032 and each subsequent fiscal year, 3.5 percent.

''(iii) For purposes of clause (i):

''(I) EXPANSION STATE.—The term 'expansion State' means a State that, beginning on January 1, 2014, or on any date thereafter, elects to provide medical assistance to all individuals described in section 1902(a)(10)(A)(i)(VIII) under the State plan under this title or under a waiver of such plan.

''(II) NON-EXPANSION STATE.—The term 'non-expansion State' means a State that is not an expansion State.

''(iv) In the case of a tax of an expansion State or unit of local government in such State in effect on the date of enactment of this clause, that applies to a class of health care items or services that is described in paragraph (3) or (4) of section 433.56(a) of title 42, Code of Federal Regulations (as in effect on May 1, 2025), and for which, on such date of enactment, is within the hold harmless threshold (as determined by the Secretary), the applicable percent of net patient revenue attributable to such class that has been so determined shall apply for a fiscal year instead of the applicable percent specified in clause (ii) for the fiscal year.''.

(b) NON-APPLICATION TO TERRITORIES.—The amendments made by this section shall only apply with respect to a State that is 1 of the 50 States or the District of Columbia.

(c) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $20,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71116. STATE DIRECTED PAYMENTS.

(a) IN GENERAL.—Subject to subsection (b), the Secretary of Health and Human Services (in this section referred to as the Secretary) shall revise section 438.6(c)(2)(iii) of title 42, Code of Federal Regulations (or a successor regulation) such that, with respect to a payment described in such section made for a service furnished during a rating period beginning on or after the date of the enactment of this Act, the total payment rate for such service is limited to—

(1) in the case of a State that provides coverage to all individuals described in section 1902(a)(10)(A)(i)(VIII) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(VIII)) that is equivalent to minimum essential coverage (as described in section 5000A(f)(1)(A) of the Internal Revenue Code of 1986 and determined in accordance with standards prescribed by the Secretary in regulations) under the State plan (or waiver of such plan) of such State under title XIX of such Act, 100 percent of the specified total published Medicare payment rate (or, in the absence of a specified total published Medicare payment rate, the payment rate under a Medicaid State plan (or under a waiver of such plan)); or

(2) in the case of a State other than a State described in paragraph (1), 110 percent of the specified total published Medicare payment rate (or, in the absence of a specified total published Medicare payment rate, the payment rate under a Medicaid State plan (or under a waiver of such plan)).

(b) GRANDFATHERING CERTAIN PAYMENTS.—In the case of a payment described in section 438.6(c)(2)(iii) of title 42, Code of Federal Regulations (or a successor regulation) for which written prior approval (or a good faith effort to receive such approval, as determined by the Secretary) was made before May 1, 2025, or a payment described in such section for a rural hospital (as defined in subsection (d)(2)) for which written prior approval (or a good faith effort to receive such approval, as determined by the Secretary) was made by the date of enactment of this Act, for the rating period occurring within 180 days of the date of the enactment of this Act, or a payment so described for such rating period for which a completed preprint was submitted to the Secretary prior to the date of enactment of this Act, beginning with the rating period on or after January 1, 2028, the total amount of such payment shall be reduced by 10 percentage points each year until the total payment rate for such service is equal to the rate for such service specified in subsection (a).

(c) TREATMENT OF EXPANSION STATES.—The revisions described in subsection (a) shall provide that, with respect to a State that begins providing the coverage described in paragraph (1) of such subsection on or after the date of the enactment of this Act, the limitation described in such paragraph shall apply to such State with respect to a payment described in section 438.6(c)(2)(iii) of title 42, Code of Federal Regulations (or a successor regulation) for a service furnished during a rating period beginning on or after the date of enactment of this Act.

(d) DEFINITIONS.—In this section:

(1) RATING PERIOD.—The term ''rating period'' has the meaning given such term in section 438.2 of title 42, Code of Federal Regulations (or a successor regulation).

(2) RURAL HOSPITAL.—The term ''rural hospital'' means the following:

(A) A subsection (d) hospital (as defined in paragraph (1)(B) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))) that—

(i) is located in a rural area (as defined in paragraph (2)(D) of such section);

(ii) is treated as being located in a rural area pursuant to paragraph (8)(E) of such section; or

(iii) is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

(B) A critical access hospital (as defined in section 1861(mm)(1) of such Act (42 U.S.C. 1395x(mm)(1))).

(C) A sole community hospital (as defined in section 1886(d)(5)(D)(iii) of such Act (42 U.S.C. 1395ww(d)(5)(D)(iii))).

(D) A Medicare-dependent, small rural hospital (as defined in section 1886(d)(5)(G)(iv) of such Act (42 U.S.C. 1395ww(d)(5)(G)(iv))).

(E) A low-volume hospital (as defined in section 1886(d)(12)(C) of such Act (42 U.S.C. 1395ww(d)(12)(C))).

(F) A rural emergency hospital (as defined in section 1861(kkk)(2) of such Act (42 U.S.C. 1395x(kkk)(2))).

(3) STATE.—The term ''State'' means 1 of the 50 States or the District of Columbia.

(4) TOTAL PUBLISHED MEDICARE PAYMENT RATE.—The term ''total published Medicare payment rate'' has the meaning given to such term in section 438.6(a) of title 42, Code of Federal Regulations (or a successor regulation).

(5) WRITTEN PRIOR APPROVAL.—The term ''written prior approval'' has the meaning given to such term in section 438.6(c)(2)(i) of title 42, Code of Federal Regulations (or a successor regulation).

(e) FUNDING.—There are appropriated out of any monies in the Treasury not otherwise appropriated $7,000,000 for each of fiscal years 2026 through 2033 for purposes of carrying out this section, to remain available until expended.

SEC. 71117. REQUIREMENTS REGARDING WAIVER OF UNIFORM TAX REQUIREMENT FOR MEDICAID PROVIDER TAX.

(a) IN GENERAL.—Section 1903(w) of the Social Security Act (42 U.S.C. 1396b(w)) is amended—

(1) in paragraph (3)(E), by inserting after clause (ii)(II) the following new clause:

''(iii) For purposes of clause (ii)(I), a tax is not considered to be generally redistributive if any of the following conditions apply:

''(I) Within a permissible class, the tax rate imposed on any taxpayer or tax rate group (as defined in paragraph (7)(J)) explicitly defined by its relatively lower volume or percentage of Medicaid taxable units (as defined in paragraph (7)(H)) is lower than the tax rate imposed on any other taxpayer or tax rate group explicitly defined by its relatively higher volume or percentage of Medicaid taxable units.

''(II) Within a permissible class, the tax rate imposed on any taxpayer or tax rate group (as so defined) based upon its Medicaid taxable units (as so defined) is higher than the tax rate imposed on any taxpayer or tax rate group based upon its non-Medicaid taxable unit (as defined in paragraph (7)(I)).

''(III) The tax excludes or imposes a lower tax rate on a taxpayer or tax rate group (as so defined) based on or defined by any description that results in the same effect as described in subclause (I) or (II) for a taxpayer or tax rate group. Characteristics that may indicate such type of exclusion include the use of terminology to establish a tax rate group—

''(aa) based on payments or expenditures made under the program under this title without mentioning the term 'Medicaid' (or any similar term) to accomplish the same effect as described in subclause (I) or (II); or

''(bb) that closely approximates a taxpayer or tax rate group under the program under this title, to the same effect as described in subclause (I) or (II).''; and

(2) in paragraph (7), by adding at the end the following new subparagraphs:

''(H) The term 'Medicaid taxable unit' means a unit that is being taxed within a health care related tax that is applicable to the program under this title. Such term includes a unit that is used as the basis for—

''(i) payment under the program under this title (such as Medicaid bed days);

''(ii) Medicaid revenue;

''(iii) costs associated with the program under this title (such as Medicaid charges, claims, or expenditures); and

''(iv) other units associated with the program under this title, as determined by the Secretary.

''(I) The term 'non-Medicaid taxable unit' means a unit that is being taxed within a health care related tax that is not applicable to the program under this title. Such term includes a unit that is used as the basis for—

''(i) payment by non-Medicaid payers (such as non-Medicaid bed days);

''(ii) non-Medicaid revenue;

''(iii) costs that are not associated with the program under this title (such as non-Medicaid charges, non-Medicaid claims, or non-Medicaid expenditures); and

''(iv) other units not associated with the program under this title, as determined by the Secretary.

''(J) The term 'tax rate group' means a group of entities contained within a permissible class of a health care related tax that are taxed at the same rate.''.

(b) NON-APPLICATION TO TERRITORIES.—The amendments made by this section shall only apply with respect to a State that is 1 of the 50 States or the District of Columbia.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect upon the date of enactment of this Act, subject to any applicable transition period determined appropriate by the Secretary of Health and Human Services, not to exceed 3 fiscal years.

SEC. 71118. REQUIRING BUDGET NEUTRALITY FOR MEDICAID DEMONSTRATION PROJECTS UNDER SECTION 1115.

(a) IN GENERAL.—Section 1115 of the Social Security Act (42 U.S.C. 1315) is amended by adding at the end the following new subsection:

''(g) REQUIREMENT OF BUDGET NEUTRALITY FOR MEDICAID DEMONSTRATION PROJECTS.—

''(1) IN GENERAL.—Beginning January 1 2027, the Secretary may not approve an application for (or renewal or amendment of) an experimental, pilot, or demonstration project undertaken under subsection (a) to promote the objectives of title XIX in a State (in this subsection referred to as a 'Medicaid demonstration project') unless the Chief Actuary for the Centers for Medicare & Medicaid Services certifies that such project, or, in the case of a renewal, the duration of the preceding waiver, is not expected to result in an increase in the amount of Federal expenditures compared to the amount that such expenditures would otherwise be in the absence of such project. For purposes of this subsection, expenditures for the coverage of populations and services that the State could have otherwise provided through its Medicaid State plan or other authority under title XIX, including expenditures that could be made under such authority but for the provision of such services at a different site of service than authorized under such State plan or other authority, shall be considered expenditures in the absence of such a project.

''(2) TREATMENT OF SAVINGS.—In the event that expenditures with respect to a State under a Medicaid demonstration project are, during an approval period for such project, less than the amount of such expenditures that would have otherwise been made in the absence of such project, the Secretary shall specify the methodology to be used with respect to the subsequent approval period for such project for purposes of taking the difference between such expenditures into account.''.

(b) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $5,000,000 for each of fiscal years 2026 and 2027, to remain available until expended.

Subchapter D—Increasing Personal Accountability

SEC. 71119. REQUIREMENT FOR STATES TO ESTABLISH MEDICAID COMMUNITY ENGAGEMENT REQUIREMENTS FOR CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by sections 71103 and 71104, is further amended by adding at the end the following new subsection:

''(xx) COMMUNITY ENGAGEMENT REQUIREMENT FOR APPLICABLE INDIVIDUALS.—

''(1) IN GENERAL.—Except as provided in paragraph (11), beginning not later than the first day of the first quarter that begins after December 31, 2026, or, at the option of the State under a waiver or demonstration project under section 1115 or the State plan, such earlier date as the State may specify, subject to the succeeding provisions of this subsection, a State shall provide, as a condition of eligibility for medical assistance for an applicable individual, that such individual is required to demonstrate community engagement under paragraph (2)—

''(A) in the case of an applicable individual who has filed an application for medical assistance under a State plan (or a waiver of such plan) under this title, for 1 or more but not more than 3 (as specified by the State) consecutive months immediately preceding the month during which such individual applies for such medical assistance; and

''(B) in the case of an applicable individual enrolled and receiving medical assistance under a State plan (or under a waiver of such plan) under this title, for 1 or more (as specified by the State) months, whether or not consecutive—

''(i) during the period between such individual's most recent determination (or redetermination, as applicable) of eligibility and such individual's next regularly scheduled redetermination of eligibility (as verified by the State as part of such regularly scheduled redetermination of eligibility); or

''(ii) in the case of a State that has elected under paragraph (4) to conduct more frequent verifications of compliance with the requirement to demonstrate community engagement, during the period between the most recent and next such verification with respect to such individual.

''(2) COMMUNITY ENGAGEMENT COMPLIANCE DESCRIBED.—Subject to paragraph (3), an applicable individual demonstrates community engagement under this paragraph for a month if such individual meets 1 or more of the following conditions with respect to such month, as determined in accordance with criteria established by the Secretary through regulation:

''(A) The individual works not less than 80 hours.

''(B) The individual completes not less than 80 hours of community service.

''(C) The individual participates in a work program for not less than 80 hours.

''(D) The individual is enrolled in an educational program at least half-time.

''(E) The individual engages in any combination of the activities described in subparagraphs (A) through (D), for a total of not less than 80 hours.

''(F) The individual has a monthly income that is not less than the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act of 1938, multiplied by 80 hours.

''(G) The individual had an average monthly income over the preceding 6 months that is not less than the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act of 1938 multiplied by 80 hours, and is a seasonal worker, as described in section 45R(d)(5)(B) of the Internal Revenue Code of 1986 .

''(3) EXCEPTIONS.—

''(A) MANDATORY EXCEPTION FOR CERTAIN INDIVIDUALS.—The State shall deem an applicable individual to have demonstrated community engagement under paragraph (2) for a month, and may elect to not require an individual to verify information resulting in such deeming, if—

''(i) for part or all of such month, the individual—

''(I) was a specified excluded individual (as defined in paragraph (9)(A)(ii)); or

''(II) was—

''(aa) under the age of 19;

''(bb) entitled to, or enrolled for, benefits under part A of title XVIII, or enrolled for benefits under part B of title XVIII; or

''(cc) described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i); or

''(ii) at any point during the 3-month period ending on the first day of such month, the individual was an inmate of a public institution.

''(B) OPTIONAL EXCEPTION FOR SHORT-TERM HARDSHIP EVENTS.—

''(i) IN GENERAL.—The State plan (or waiver of such plan) may provide, in the case of an applicable individual who experiences a short-term hardship event during a month, that the State shall, under procedures established by the State (in accordance with standards specified by the Secretary), in the case of a short-term hardship event described in clause (ii)(II) and, upon the request of such individual, a short-term hardship event described in subclause (I) or (III) of clause (ii), deem such individual to have demonstrated community engagement under paragraph (2) for such month.

''(ii) SHORT-TERM HARDSHIP EVENT DEFINED.—For purposes of this subparagraph, an applicable individual experiences a short-term hardship event during a month if, for part or all of such month—

''(I) such individual receives inpatient hospital services, nursing facility services, services in an intermediate care facility for individuals with intellectual disabilities, inpatient psychiatric hospital services, or such other services of similar acuity (including outpatient care relating to other services specified in this subclause) as the Secretary determines appropriate;

''(II) such individual resides in a county (or equivalent unit of local government)—

''(aa) in which there exists an emergency or disaster declared by the President pursuant to the National Emergencies Act or the Robert T. Stafford Disaster Relief and Emergency Assistance Act; or

''(bb) that, subject to a request from the State to the Secretary, made in such form, at such time, and containing such information as the Secretary may require, has an unemployment rate that is at or above the lesser of—

''(AA) 8 percent; or

''(BB) 1.5 times the national unemployment rate; or

''(III) such individual or their dependent must travel outside of their community for an extended period of time to receive medical services necessary to treat a serious or complex medical condition (as described in paragraph (9)(A)(ii)(V)(ee)) that are not available within their community of residence.

''(4) OPTION TO CONDUCT MORE FREQUENT COMPLIANCE VERIFICATIONS.—With respect to an applicable individual enrolled and receiving medical assistance under a State plan (or a waiver of such plan) under this title, the State shall verify (in accordance with procedures specified by the Secretary) that each such individual has met the requirement to demonstrate community engagement under paragraph (1) during each such individual's regularly scheduled redetermination of eligibility, except that a State may provide for such verifications more frequently.

''(5) EX PARTE VERIFICATIONS.—For purposes of verifying that an applicable individual has met the requirement to demonstrate community engagement under paragraph (1), or determining such individual to be deemed to have demonstrated community engagement under paragraph (3), or that an individual is a specified excluded individual under paragraph (9)(A)(ii), the State shall, in accordance with standards established by the Secretary, establish processes and use reliable information available to the State (such as payroll data or payments or encounter data under this title for individuals and data on payments to such individuals for the provision of services covered under this title) without requiring, where possible, the applicable individual to submit additional information.

''(6) PROCEDURE IN THE CASE OF NONCOMPLIANCE.—

''(A) IN GENERAL.—If a State is unable to verify that an applicable individual has met the requirement to demonstrate community engagement under paragraph (1) (including, if applicable, by verifying that such individual was deemed to have demonstrated community engagement under paragraph (3)) the State shall (in accordance with standards specified by the Secretary)—

''(i) provide such individual with the notice of noncompliance described in subparagraph (B);

''(ii)(I) provide such individual with a period of 30 calendar days, beginning on the date on which such notice of noncompliance is received by the individual, to—

''(aa) make a satisfactory showing to the State of compliance with such requirement (including, if applicable, by showing that such individual was or should be deemed to have demonstrated community engagement under paragraph (3)); or

''(bb) make a satisfactory showing to the State that such requirement does not apply to such individual on the basis that such individual does not meet the definition of applicable individual under paragraph (9)(A); and

''(II) if such individual is enrolled under the State plan (or a waiver of such plan) under this title, continue to provide such individual with medical assistance during such 30-calendar-day period; and

''(iii) if no such satisfactory showing is made and the individual is not a specified excluded individual described in paragraph (9)(A)(ii), deny such individual's application for medical assistance under the State plan (or waiver of such plan) or, as applicable, disenroll such individual from the plan (or waiver of such plan) not later than the end of the month following the month in which such 30-calendar-day period ends, provided that—

''(I) the State first determines whether, with respect to the individual, there is any other basis for eligibility for medical assistance under the State plan (or waiver of such plan) or for another insurance affordability program; and

''(II) the individual is provided written notice and granted an opportunity for a fair hearing in accordance with subsection (a)(3).

''(B) NOTICE.—The notice of noncompliance provided to an applicable individual under subparagraph (A)(i) shall include information (in accordance with standards specified by the Secretary) on—

''(i) how such individual may make a satisfactory showing of compliance with such requirement (as described in subparagraph (A)(ii)) or make a satisfactory showing that such requirement does not apply to such individual on the basis that such individual does not meet the definition of applicable individual under paragraph (9)(A); and

''(ii) how such individual may reapply for medical assistance under the State plan (or a waiver of such plan) under this title in the case that such individuals' application is denied or, as applicable, in the case that such individual is disenrolled from the plan (or waiver).

''(7) TREATMENT OF NONCOMPLIANT INDIVIDUALS IN RELATION TO CERTAIN OTHER PROVISIONS.—

''(A) CERTAIN FMAP INCREASES.—A State shall not be treated as not providing medical assistance to all individuals described in section 1902(a)(10)(A)(i)(VIII), or as not expending amounts for all such individuals under the State plan (or waiver of such plan), solely because such an individual is determined ineligible for medical assistance under the State plan (or waiver) on the basis of a failure to meet the requirement to demonstrate community engagement under paragraph (1).

''(B) OTHER PROVISIONS.—For purposes of section 36B(c)(2)(B) of the Internal Revenue Code of 1986, an individual shall be deemed to be eligible for minimum essential coverage described in section 5000A(f)(1)(A)(ii) of such Code for a month if such individual would have been eligible for medical assistance under a State plan (or a waiver of such plan) under this title but for a failure to meet the requirement to demonstrate community engagement under paragraph (1).

''(8) OUTREACH.—

''(A) IN GENERAL.—In accordance with standards specified by the Secretary, beginning not later than the date that precedes December 31, 2026 (or, if the State elects under paragraph (1) to specify an earlier date, such earlier date) by the number of months specified by the State under paragraph (1)(A) plus 3 months, and periodically thereafter, the State shall notify applicable individuals enrolled under a State plan (or waiver) under this title of the requirement to demonstrate community engagement under this subsection. Such notice shall include information on—

''(i) how to comply with such requirement, including an explanation of the exceptions to such requirement under paragraph (3) and the definition of the term 'applicable individual' under paragraph (9)(A);

''(ii) the consequences of noncompliance with such requirement; and

''(iii) how to report to the State any change in the individual's status that could result in—

''(I) the applicability of an exception under paragraph (3) (or the end of the applicability of such an exception); or

''(II) the individual qualifying as a specified excluded individual under paragraph (9)(A)(ii).

''(B) FORM OF OUTREACH NOTICE.—A notice required under subparagraph (A) shall be delivered—

''(i) by regular mail (or, if elected by the individual, in an electronic format); and

''(ii) in 1 or more additional forms, which may include telephone, text message, an internet website, other commonly available electronic means, and such other forms as the Secretary determines appropriate.

''(9) DEFINITIONS.—In this subsection:

''(A) APPLICABLE INDIVIDUAL.—

''(i) IN GENERAL.—The term 'applicable individual' means an individual (other than a specified excluded individual (as defined in clause (ii)))—

''(I) who is eligible to enroll (or is enrolled) under the State plan under subsection (a)(10)(A)(i)(VIII); or

''(II) who—

''(aa) is otherwise eligible to enroll (or is enrolled) under a waiver of such plan that provides coverage that is equivalent to minimum essential coverage (as described in section 5000A(f)(1)(A) of the Internal Revenue Code of 1986 and as determined in accordance with standards prescribed by the Secretary in regulations); and

''(bb) has attained the age of 19 and is under 65 years of age, is not pregnant, is not entitled to, or enrolled for, benefits under part A of title XVIII, or enrolled for benefits under part B of title XVIII, and is not otherwise eligible to enroll under such plan.

''(ii) SPECIFIED EXCLUDED INDIVIDUAL.—For purposes of clause (i), the term 'specified excluded individual' means an individual, as determined by the State (in accordance with standards specified by the Secretary)—

''(I) who is described in subsection (a)(10)(A)(i)(IX);

''(II) who—

''(aa) is an Indian or an Urban Indian (as such terms are defined in paragraphs (13) and (28) of section 4 of the Indian Health Care Improvement Act);

''(bb) is a California Indian described in section 809(a) of such Act; or

''(cc) has otherwise been determined eligible as an Indian for the Indian Health Service under regulations promulgated by the Secretary;

''(III) who is the parent, guardian, caretaker relative, or family caregiver (as defined in section 2 of the RAISE Family Caregivers Act) of a dependent child 13 years of age and under or a disabled individual;

''(IV) who is a veteran with a disability rated as total under section 1155 of title 38, United States Code;

''(V) who is medically frail or otherwise has special medical needs (as defined by the Secretary), including an individual—

''(aa) who is blind or disabled (as defined in section 1614);

''(bb) with a substance use disorder;

''(cc) with a disabling mental disorder;

''(dd) with a physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living; or

''(ee) with a serious or complex medical condition;

''(VI) who—

''(aa) is in compliance with any requirements imposed by the State pursuant to section 407; or

''(bb) is a member of a household that receives supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 and is not exempt from a work requirement under such Act;

''(VII) who is participating in a drug addiction or alcoholic treatment and rehabilitation program (as defined in section 3(h) of the Food and Nutrition Act of 2008);

''(VIII) who is an inmate of a public institution; or

''(IX) who is pregnant or entitled to postpartum medical assistance under paragraph (5) or (16) of subsection (e).

''(B) EDUCATIONAL PROGRAM.—The term 'educational program' includes—

''(i) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965); and

''(ii) a program of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006).

''(C) STATE.—The term 'State' means 1 of the 50 States or the District of Columbia.

''(D) WORK PROGRAM.—The term 'work program' has the meaning given such term in section 6(o)(1) of the Food and Nutrition Act of 2008.

''(10) PROHIBITING WAIVER OF COMMUNITY ENGAGEMENT REQUIREMENTS.—Notwithstanding section 1115(a), the provisions of this subsection may not be waived.

''(11) SPECIAL IMPLEMENTATION RULE.—

''(A) IN GENERAL.—Subject to subparagraph (C), the Secretary may exempt a State from compliance with the requirements of this subsection if—

''(i) the State submits to the Secretary a request for such exemption, made in such form and at such time as the Secretary may require, and including the information specified in subparagraph (B); and

''(ii) the Secretary determines that based on such request, the State is demonstrating a good faith effort to comply with the requirements of this subsection.

''(B) GOOD FAITH EFFORT DETERMINATION.—In determining whether a State is demonstrating a good faith effort for purposes of subparagraph (A)(ii), the Secretary shall consider—

''(i) any actions taken by the State toward compliance with the requirements of this subsection;

''(ii) any significant barriers to or challenges in meeting such requirements, including related to funding, design, development, procurement, or installation of necessary systems or resources;

''(iii) the State's detailed plan and timeline for achieving full compliance with such requirements, including any milestones of such plan (as defined by the Secretary); and

''(iv) any other criteria determined appropriate by the Secretary.

''(C) DURATION OF EXEMPTION.—

''(i) IN GENERAL.—An exemption granted under subparagraph (A) shall expire not later than December 31, 2028, and may not be renewed beyond such date.

''(ii) EARLY TERMINATION.—The Secretary may terminate an exemption granted under subparagraph (A) prior to the expiration date of such exemption if the Secretary determined that the State has—

''(I) failed to comply with the reporting requirements described in subparagraph (D); or

''(II) based on the information provided pursuant to subparagraph (D), failed to make continued good faith efforts toward compliance with the requirements of this subsection.

''(D) REPORTING REQUIREMENTS.—A State granted an exemption under subparagraph (A) shall submit to the Secretary—

''(i) quarterly progress reports on the State's status in achieving the milestones toward full compliance described in subparagraph (B)(iii); and

''(ii) information on specific risks or newly identified barriers or challenges to full compliance, including the State's plan to mitigate such risks, barriers, or challenges.''.

(b) CONFORMING AMENDMENT.—Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(VIII)) is amended by striking ''subject to subsection (k)'' and inserting ''subject to subsections (k) and (xx)''.

(c) PROHIBITING CONFLICTS OF INTEREST.—A State shall not use a Medicaid managed care entity or other specified entity (as such terms are defined in section 1903(m)(9)(D)), or other contractor to determine beneficiary compliance under such section unless the contractor has no direct or indirect financial relationship with any Medicaid managed care entity or other specified entity that is responsible for providing or arranging for coverage of medical assistance for individuals enrolled with the entity pursuant to a contract with such State.

(d) INTERIM FINAL RULEMAKING.—Not later than June 1, 2026, the Secretary of Health and Human Services shall promulgate an interim final rule for purposes of implementing the provisions of, and the amendments made by, this section. Any action taken to implement the provisions of, and the amendments made by, this section shall not be subject to the provisions of section 553 of title 5, United States Code.

(e) DEVELOPMENT OF GOVERNMENT EFFICIENCY GRANTS TO STATES.—

(1) IN GENERAL.—In order for States to establish systems necessary to carry out the provisions of, and amendments made by, this section or other sections of this chapter that pertain to conducting eligibility determinations or redeterminations, the Secretary of Health and Human Services shall—

(A) out of amounts appropriated under paragraph (3)(A), award to each State a grant equal to the amount specified in paragraph (2) for such State; and

(B) out of amounts appropriated under paragraph (3)(B), distribute an equal amount among such States.

(2) AMOUNT SPECIFIED.—For purposes of paragraph (1)(A), the amount specified in this paragraph is an amount that bears the same ratio to the amount appropriated under paragraph (3)(A) as the number of applicable individuals (as defined in section 1902(xx) of the Social Security Act, as added by subsection (a)) residing in such State bears to the total number of such individuals residing in all States, as of March 31, 2025.

(3) FUNDING.—There are appropriated, out of any monies in the Treasury not otherwise appropriated—

(A) $100,000,000 for fiscal year 2026 for purposes of awarding grants under paragraph (1)(A), to remain available until expended; and

(B) $100,000,000 for fiscal year 2026 for purposes of award grants under paragraph (1)(B), to remain available until expended.

(4) DEFINITION.—In this subsection, the term ''State'' means 1 of the 50 States and the District of Columbia.

(f) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $200,000,000 for fiscal year 2026, to remain available until expended.

SEC. 71120. MODIFYING COST SHARING REQUIREMENTS FOR CERTAIN EXPANSION INDIVIDUALS UNDER THE MEDICAID PROGRAM.

(a) IN GENERAL.—Section 1916 of the Social Security Act (42 U.S.C. 1396o) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by inserting ''(other than, beginning October 1, 2028, specified individuals (as defined in subsection (k)(3)))'' after ''individuals''; and

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

''(k) SPECIAL RULES FOR CERTAIN EXPANSION INDIVIDUALS.—

''(1) PREMIUMS.—Beginning October 1, 2028, the State plan shall provide that in the case of a specified individual (as defined in paragraph (3)) who is eligible under the plan, no

enrollment fee, premium, or similar charge will be imposed under the plan.

''(2) REQUIRED IMPOSITION OF COST SHARING.—

''(A) IN GENERAL.—Subject to subparagraph (B) and subsection (j), in the case of a specified individual, the State plan shall, beginning October 1, 2028, provide for the imposition of such deductions, cost sharing, or similar charges determined appropriate by the State (in an amount greater than $0) with respect to certain care, items, or services furnished to such an individual, as determined by the State.

''(B) LIMITATIONS.—

''(i) EXCLUSION OF CERTAIN SERVICES.—In no case may a deduction, cost sharing, or similar charge be imposed under the State plan with respect to care, items, or services described in any of subparagraphs (B) through (J) of subsection (a)(2), or any primary care services, mental health care services, substance use disorder services, or services provided by a Federally qualified health center (as defined in 1905(l)(2)), certified community behavioral health clinic (as defined in section 1905(jj)(2)), or rural health clinic (as defined in 1905(l)(1)), furnished to a specified individual.

''(ii) ITEM AND SERVICE LIMITATION.—

''(I) IN GENERAL.—Except as provided in subclause (II), in no case may a deduction, cost sharing, or similar charge imposed under the State plan with respect to care or an item or service furnished to a specified individual exceed $35.

''(II) SPECIAL RULES FOR PRESCRIPTION DRUGS.—In no case may a deduction, cost sharing, or similar charge imposed under the State plan with respect to a prescription drug furnished to a specified individual exceed the limit that would be applicable under paragraph (2)(A)(i) or (2)(B) of section 1916A(c) with respect to such drug and individual if such drug so furnished were subject to cost sharing under such section.

''(iii) MAXIMUM LIMIT ON COST SHARING.—The total aggregate amount of deductions, cost sharing, or similar charges imposed under the State plan for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a quarterly or monthly basis (as specified by the State).

''(C) CASES OF NONPAYMENT.—Notwithstanding subsection (e), a State may permit a provider participating under the State plan to require, as a condition for the provision of care, items, or services to a specified individual entitled to medical assistance under this title for such care, items, or services, the payment of any deductions, cost sharing, or similar charges authorized to be imposed with respect to such care, items, or services. Nothing in this subparagraph shall be construed as preventing a provider from reducing or waiving the application of such deductions, cost sharing, or similar charges on a case-by-case basis.

''(3) SPECIFIED INDIVIDUAL DEFINED.—For purposes of this subsection, the term 'specified individual' means an individual who has a family income (as determined in accordance with section 1902(e)(14)) that exceeds the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved and—

''(A) is enrolled under section 1902(a)(10)(A)(i)(VIII); or

''(B) is described in such subsection and otherwise enrolled under a waiver of the State plan that provides coverage that is equivalent to minimum essential coverage (as described in section 5000A(f)(1)(A) of the Internal Revenue Code of 1986 and determined in accordance with standards prescribed by the Secretary in regulations) to all individuals described in section 1902(a)(10)(A)(i)(VIII).

''(4) STATE DEFINED.—For purposes of this subsection, the term 'State' means 1 of the 50 States or the District of Columbia.''.

(b) CONFORMING AMENDMENTS.—

(1) REQUIRED APPLICATION.—Section 1902(a)(14) of the Social Security Act (42 U.S.C. 1396a(a)(14)) is amended by inserting ''and provide for imposition of such deductions, cost sharing, or similar charges for care, items, or services furnished to specified individuals (as defined in paragraph (3) of section 1916(k)) in accordance with paragraph (2) of such section'' after ''section 1916''.

(2) NONAPPLICABILITY OF ALTERNATIVE COST SHARING.—Section 1916A(a)(1) of the Social Security Act (42 U.S.C. 1396o–1(a)(1)) is amended, in the second sentence, by striking ''or (j)'' and inserting ''(j), or (k)''.

(c) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $15,000,000 for fiscal year 2026, to remain available until expended.

Subchapter E—Expanding Access to Care

SEC. 71121. MAKING CERTAIN ADJUSTMENTS TO COVERAGE OF HOME OR COMMUNITY-BASED SERVICES UNDER MEDICAID.

(a) EXPANDING HCBS COVERAGE UNDER SECTION 1915(C) WAIVERS.—Section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) is amended—

(1) in paragraph (3), by inserting ''paragraph (11) or'' before ''subsection (h)(2)''; and

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

''(11) EXPANDING COVERAGE FOR HOME OR COMMUNITY-BASED SERVICES.—

''(A) IN GENERAL.—Beginning July 1, 2028, notwithstanding paragraph (1), the Secretary may approve a waiver that is standalone from any other waiver approved under this subsection to include as medical assistance under the State plan of such State payment for part or all of the cost of home or community-based services (other than room and board (as described in paragraph (1))) approved by the Secretary which are provided pursuant to a written plan of care to individuals described in subparagraph (B)(iii). A waiver approved under this paragraph shall be for an initial term of 3 years and, upon the request of the State, shall be extended for additional 5-year periods unless the Secretary determines that for the previous waiver period the requirements specified under this subsection (excluding those excepted under subparagraph (B)) have not been met.

''(B) STATE REQUIREMENTS.—In addition to the requirements specified under this subsection (except for the requirements described in subparagraphs (C) and (D) of paragraph (2) and any other requirement specified under this subsection that the Secretary determines to be inapplicable in the context of a waiver that does not require individuals to have a determination described in paragraph (1)), a State shall meet the following requirements as a condition of waiver approval:

''(i) As of the date that such State requests a waiver under this subsection to provide home or community-based services to individuals described in clause (iii), all other waivers (if any) granted under this subsection to such State meet the requirements of this subsection.

''(ii) The State demonstrates to the Secretary that approval of a waiver under this subsection with respect to individuals described in clause (iii) will not result in a material increase of the average amount of time that individuals with respect to whom a determination described in paragraph (1) has been made will need to wait to receive home or community-based services under any other waiver granted under this subsection, as determined by the Secretary.

''(iii) The State establishes needs-based criteria, subject to the approval of the Secretary, regarding who will be eligible for home or community-based services under a waiver approved under this paragraph without requiring such individuals to have a determination described in paragraph (1), and specifies the home or community-based services such individuals so eligible will receive.

''(iv) The State establishes needs-based criteria for determining whether an individual described in clause (iii) requires the level of care provided in a hospital, nursing facility, or an intermediate care facility for individuals with developmental disabilities under the State plan or under any waiver of such plan that are more stringent than the needs-based criteria established under clause (iii) for determining eligibility for home or community-based services.

''(v) The State attests that the State's average per capita expenditure for medical assistance under the State plan (or waiver of such plan) provided with respect to such individuals enrolled in a waiver under this paragraph will not exceed the State's average per capita expenditure for medical assistance for individuals receiving institutional care under the State plan (or waiver of such plan) for the duration that the waiver under this paragraph is in effect.

''(vi) The State provides to the Secretary data (in such form and manner as the Secretary may specify) regarding the number of individuals described in clause (iii) with respect to a State seeking approval of a waiver under this subsection, to whom the State will make such services available under such waiver.

''(vii) The State agrees to provide to the Secretary, not less frequently than annually, data for purposes of paragraph (2)(E) (in such form and manner as the Secretary may specify) regarding, with respect to each preceding year in which a waiver under this subsection to provide home or community-based services to individuals described in clause (iii) was in effect—

''(I) the cost (as such term is defined by the Secretary) of such services furnished to individuals described in clause (iii), broken down by type of service;

''(II) with respect to each type of home or community-based service provided under the waiver, the length of time that such individuals have received such service;

''(III) a comparison between the data described in subclause (I) and any comparable data available with respect to individuals with respect to whom a determination described in paragraph (1) has been made and with respect to individuals receiving institutional care under this title; and

''(IV) the number of individuals who have received home or community-based services under the waiver during the preceding year.

''(C) LIMITATION ON PAYMENTS.—No payments made to carry out this paragraph shall be used by a State to make payments to a third party on behalf of an individual practitioner for benefits such as health insurance, skills training, and other benefits customary for employees, in the case of a class of practitioners for which the program established under this title is the primary source of revenue.''.

(b) IMPLEMENTATION FUNDING.—

(1) IN GENERAL.—There are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services—

(A) for fiscal year 2026, $50,000,000 for purposes of carrying out the provisions of, and the amendments made by, this section, to remain available until expended; and

(B) for fiscal year 2027, $100,000,000 for purposes of making payments to States, subject to paragraph (2), to support State systems to deliver home or community-based services under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) (as amended by this section) or under section 1115 of such Act (42 U.S.C. 1315), to remain available until expended.

(2) PAYMENTS BASED ON STATE HCBS ELIGIBLE POPULATION.—Payments to States from amounts made available by paragraph (1)(B) shall be made, with respect to a State, on the basis of the proportion of the population of the State that is receiving home or community-based services under section1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) (as amended by this section) or under section 1115 of such Act (42 U.S.C. 1315), as compared to all States.

CHAPTER 2—MEDICARE

Subchapter A—Strengthening Eligibility Requirements

SEC. 71201. LIMITING MEDICARE COVERAGE OF CERTAIN INDIVIDUALS.

Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following new section:

"SEC. 1899C. LIMITING MEDICARE COVERAGE OF CERTAIN INDIVIDUALS.

''(a) IN GENERAL.—Subject to subsection (b), an individual may be entitled to, or enrolled for, benefits under this title only if the individual is—

''(1) a citizen or national of the United States;

''(2) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act;

''(3) an alien who has been granted the status of Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96–422); or

''(4) an individual who lawfully resides in the United States in accordance with a Compact of Free Association referred to in section 402(b)(2)(G) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

''(b) APPLICATION TO INDIVIDUALS CURRENTLY ENTITLED TO OR ENROLLED FOR BENEFITS.—

''(1) IN GENERAL.—In the case of an individual who is entitled to, or enrolled for, benefits under this title as of the date of the enactment of this section, subsection (a) shall apply beginning on the date that is 18 months after such date of enactment.

''(2) REVIEW BY COMMISSIONER OF SOCIAL SECURITY.—

''(A) IN GENERAL.—Not later than 1 year after the date of the enactment of this section, the Commissioner of Social Security shall complete a review of individuals entitled to, or enrolled for, benefits under this title as of such date of enactment for purposes of identifying individuals not described in any of paragraphs (1) through (4) of subsection (a).

''(B) NOTICE.—The Commissioner of Social Security shall notify each individual identified under the review conducted under subparagraph (A) that such individual's entitlement to, or enrollment for, benefits under this title will be terminated as of the date that is 18 months after the date of the enactment of this section. Such notification shall be made as soon as practicable after such identification and in a manner designed to ensure such individual's comprehension of such notification.''.

Subchapter B—Improving Services for Seniors

SEC. 71202. TEMPORARY PAYMENT INCREASE UNDER THE MEDICARE PHYSICIAN FEE SCHEDULE TO ACCOUNT FOR EXCEPTIONAL CIRCUMSTANCES.

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

(1) in the subsection heading, by striking ''DURING 2021 THROUGH 2024'';

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking ''and 2024'' and inserting ''2024, and 2026'';

(B) in subparagraph (D), by striking ''and'' at the end;

(C) in subparagraph (E), by striking the period at the end and inserting ''; and''; and

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

''(F) such services furnished on or after January 1, 2026, and before January 1, 2027, by 2.5 percent.''; and

(3) in paragraph (2)(C)—

(A) in the subparagraph heading, by inserting ''AND 2026'' after ''2024''; and

(B) by striking ''or 2024'' each place it appears and inserting ''2024, or 2026''.

(b) CONFORMING AMENDMENT.—Section 1848(c)(2)(B)(iv)(V) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)(B)(iv)(V)) is amended by striking ''or 2024'' and inserting ''2024, or 2026''.

SEC. 71203. EXPANDING AND CLARIFYING THE EXCLUSION FOR ORPHAN DRUGS UNDER THE DRUG PRICE NEGOTIATION PROGRAM.

(a) IN GENERAL.—Section 1192(e) of the Social Security Act (42 U.S.C. 1320f–1(e)) is amended—

(1) in paragraph (1), in the matter preceding subparagraph (A), by striking ''and (3)'' and inserting ''through (4)'';

(2) in paragraph (3)(A)—

(A) by striking ''only one rare disease or condition'' and inserting ''one or more rare diseases or conditions''; and

(B) by striking ''such disease or condition'' and inserting ''one or more such rare diseases or conditions (as such term is defined in section 526(a)(2) of the Federal Food, Drug, and Cosmetic Act)''; and

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

''(4) TREATMENT OF FORMER ORPHAN DRUGS.—In the case of a drug or biological product that, as of the date of the approval or licensure of such drug or biological product, is a drug or biological product described in paragraph (3)(A), paragraph (1)(A)(ii) or (1)(B)(ii) (as applicable) shall apply as if the reference to 'the date of such approval' or 'the date of such licensure', respectively, were instead a reference to 'the first day after the date of such approval for which such drug is not a drug described in paragraph (3)(A)' or 'the first day after the date of such licensure for which such biological product is not a biological product described in paragraph (3)(A)', respectively.''.

(b) APPLICATION.—The amendments made by subsection (a) shall apply with respect to initial price applicability years (as defined in section 1191(b) of the Social Security Act (42 U.S.C. 1320f(b))) beginning on or after January 1, 2028.

CHAPTER 3—HEALTH TAX

Subchapter A—Improving Eligibility Criteria

SEC. 71301. PERMITTING PREMIUM TAX CREDIT ONLY FOR CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 36B(e)(1) is amended by inserting ''or, in the case of aliens who are lawfully present, are not eligible aliens'' after ''individuals who are not lawfully present''.

(b) ELIGIBLE ALIENS.—Section 36B(e)(2) is amended—

(1) by striking ''For purposes of this section, an individual'' and inserting ''For purposes of this section—

''(A) IN GENERAL.—An individual'', and

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

''(B) ELIGIBLE ALIENS.—An individual who is an alien and lawfully present shall be treated as an eligible alien if such individual is, and is reasonably expected to be for the entire period of enrollment for which the credit under this section is being claimed—

''(i) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.),

''(ii) an alien who has been granted the status of Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96–422); or

''(iii) an individual who lawfully resides in the United States in accordance with a Compact of Free Association referred to in section 402(b)(2)(G) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)(G)).''.

(c) CONFORMING AMENDMENTS.—

(1) VERIFICATION OF INFORMATION.—Section 1411 of the Patient Protection and Affordable Care Act (42 U.S.C. 18081) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking ''and section 36B(e) of the Internal Revenue Code of 1986''; and

(ii) in paragraph (2)—

(I) in subparagraph (A), by striking ''and'' at the end;

(II) in subparagraph (B), by adding ''and'' at the end; and

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

''(C) in the case such individual is an alien lawfully present in the United States, whether such individual is an eligible alien (within the meaning of section 36B(e)(2) of such Code);'';

(B) in subsection (b)(3), by adding at the end the following new subparagraph:

''(D) IMMIGRATION STATUS.—In the case the individual's eligibility is based on an attestation of the enrollee's immigration status, an attestation that such individual is an eligible alien (within the meaning of 36B(e)(2) of the Internal Revenue Code of 1986).''; and

(C) in subsection (c)(2)(B)(ii), by adding at the end the following new subclause:

''(III) In the case of an individual described in clause (i)(I) with respect to whom a premium tax credit under section 36B of the Internal Revenue Code of 1986 is being claimed, the attestation that the individual is an eligible alien (within the meaning of section 36B(e)(2) of such Code).''.

(2) ADVANCE DETERMINATIONS.—Section 1412(d) of the Patient Protection and Affordable Care Act (42 U.S.C. 18082(d)) is amended by inserting before the period at the end the following: '', or credits under section 36B of the Internal Revenue Code of 1986 for aliens who are not eligible aliens (within the meaning of section 36B(e)(2) of such Code)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to plan years beginning on or after January 1, 2027.

(d) REQUIREMENT TO MAINTAIN MINIMUM ESSENTIAL COVERAGE.—Section 5000A(d)(3) is amended by striking ''an alien lawfully present in the United States'' and inserting ''an eligible alien (within the meaning of section 36B(e)(2))''.

(e) EFFECTIVE DATE.—The amendments made by this section (other than the amendments made by subsection (c)) shall apply to

taxable years beginning after December 31, 2026.

SEC. 71302. DISALLOWING PREMIUM TAX CREDIT DURING PERIODS OF MEDICAID INELIGIBILITY DUE TO ALIEN STATUS.

(a) IN GENERAL.—Section 36B(c)(1) is amended by striking subparagraph (B).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

Subchapter B—Preventing Waste, Fraud, and Abuse

SEC. 71303. REQUIRING VERIFICATION OF ELIGIBILITY FOR PREMIUM TAX CREDIT.

(a) IN GENERAL.—Section 36B(c) is amended by adding at the end the following new paragraphs:

''(5) EXCHANGE ENROLLMENT VERIFICATION REQUIREMENT.—

''(A) IN GENERAL.—The term 'coverage month' shall not include, with respect to any individual covered by a qualified health plan enrolled in through an Exchange, any month beginning before the Exchange verifies, using applicable enrollment information that shall be provided or verified by the applicant, such individual's eligibility—

''(i) to enroll in the plan through the Exchange, and

''(ii) for any advance payment under section 1412 of the Patient Protection and Affordable Care Act of the credit allowed under this section.

''(B) APPLICABLE ENROLLMENT INFORMATION.—For purposes of subparagraph (A), applicable enrollment information shall include affirmation of at least the following information (to the extent relevant in determining eligibility described in subparagraph (A)):

''(i) Household income and family size.

''(ii) Whether the individual is an eligible alien.

''(iii) Any health coverage status or eligibility for coverage.

''(iv) Place of residence.

''(v) Such other information as may be determined by the Secretary (in consultation with the Secretary of Health and Human Services) as necessary to the verification prescribed under subparagraph (A).

''(C) VERIFICATION OF PAST MONTHS.—In the case of a month that begins before verification prescribed by subparagraph (A), such month shall be treated as a coverage month if the Exchange verifies for such month (using applicable enrollment information that shall be provided or verified by the applicant) such individual's eligibility to have so enrolled and for any such advance payment.

''(D) EXCHANGE PARTICIPATION; COORDINATION WITH OTHER PROCEDURES FOR DETERMINING ELIGIBILITY.—An individual shall not, solely by reason of failing to meet the requirements of this paragraph with respect to a month, be treated for such month as ineligible to enroll in a qualified health plan through an Exchange.

''(E) WAIVER FOR CERTAIN SPECIAL ENROLLMENT PERIODS.—The Secretary may waive the application of subparagraph (A) in the case of an individual who enrolls in a qualified health plan through an Exchange for 1 or more months of the taxable year during a special enrollment period provided by the Exchange on the basis of a change in the family size of the individual.

''(F) INFORMATION AND RELIANCE ON THIRD-PARTY SOURCES.—An Exchange shall be permitted to use any data available to the Exchange and any reliable third-party sources in collecting information for verification by the applicant.

''(6) EXCHANGE COMPLIANCE WITH FILING REQUIREMENTS.—The term 'coverage month' shall not include, with respect to any individual covered by a qualified health plan enrolled in through an Exchange, any month for which the Exchange does not meet the requirements of section 155.305(f)(4)(iii) of title 45, Code of Federal Regulations (as published in the Federal Register on June 25, 2025 (90 Fed. Reg. 27074), applied as though it applied to all plan years after 2025), with respect to the individual.''.

(b) PRE-ENROLLMENT VERIFICATION PROCESS REQUIRED.—Section 36B(c)(3)(A) is amended—

(1) by striking ''HEALTH PLAN.—The term'' and inserting ''HEALTH PLAN.— ''

''(i) IN GENERAL.—The term'', and

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

''(ii) PRE-ENROLLMENT VERIFICATION PROCESS REQUIRED.—Such term shall not include any plan enrolled in through an Exchange, unless such Exchange provides a process for pre-enrollment verification through which any applicant may, beginning not later than August 1, verify with the Exchange the applicant's household income and eligibility for enrollment in such plan for plan years beginning in the subsequent year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2027.

SEC. 71304. DISALLOWING PREMIUM TAX CREDIT IN CASE OF CERTAIN COVERAGE ENROLLED IN DURING SPECIAL ENROLLMENT PERIOD.

(a) IN GENERAL.—Section 36B(c)(3)(A), as amended by the preceding provisions of this Act, is amended by adding at the end the following new clause:

''(iii) EXCEPTION IN CASE OF CERTAIN SPECIAL ENROLLMENT PERIODS.—Such term shall not include any plan enrolled in during a special enrollment period provided for by an Exchange—

''(I) on the basis of the relationship of the individual's expected household income to such a percentage of the poverty line (or such other amount) as is prescribed by the Secretary of Health and Human Services for purposes of such period, and

''(II) not in connection with the occurrence of an event or change in circumstances specified by the Secretary of Health and Human Services for such purposes.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after December 31, 2025.

SEC. 71305. ELIMINATING LIMITATION ON RECAPTURE OF ADVANCE PAYMENT OF PREMIUM TAX CREDIT.

(a) IN GENERAL.—Section 36B(f)(2) is amended by striking subparagraph (B).

(b) CONFORMING AMENDMENTS.—

(1) Section 36B(f)(2) is amended by striking ''ADVANCE PAYMENTS.—'' and all that follows through ''If the advance payments'' and inserting the following: ''ADVANCE PAYMENTS.—If the advance payments''.

(2) Section 35(g)(12)(B)(ii) is amended by striking ''then section 36B(f)(2)(B) shall be applied by substituting the amount determined under clause (i) for the amount determined under section 36B(f)(2)(A)'' and inserting ''then the amount determined under clause (i) shall be substituted for the amount determined under section 36B(f)(2)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

Subchapter C—Enhancing Choice for Patients

SEC. 71306. PERMANENT EXTENSION OF SAFE HARBOR FOR ABSENCE OF DEDUCTIBLE FOR TELEHEALTH SERVICES.

(a) IN GENERAL.—Subparagraph (E) of section 223(c)(2) is amended to read as follows:

''(E) SAFE HARBOR FOR ABSENCE OF DEDUCTIBLE FOR TELEHEALTH.—A plan shall not fail to be treated as a high deductible health plan by reason of failing to have a deductible for telehealth and other remote care services.''.

(b) CERTAIN COVERAGE DISREGARDED.—Clause (ii) of section 223(c)(1)(B) is amended by striking ''(in the case of months or plan years to which paragraph (2)(E) applies)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2024.

SEC. 71307. ALLOWANCE OF BRONZE AND CATASTROPHIC PLANS IN CONNECTION WITH HEALTH SAVINGS ACCOUNTS.

(a) IN GENERAL.—Section 223(c)(2) is amended by adding at the end the following new subparagraph:

''(H) BRONZE AND CATASTROPHIC PLANS TREATED AS HIGH DEDUCTIBLE HEALTH PLANS.—The term 'high deductible health plan' shall include any plan which is—

''(i) available as individual coverage through an Exchange established under section 1311 or 1321 of the Patient Protection and Affordable Care Act, and

''(ii) described in subsection (d)(1)(A) or (e) of section 1302 of such Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2025.

SEC. 71308. TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.

(a) IN GENERAL.—Section 223(c)(1) is amended by adding at the end the following new subparagraph:

''(E) TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.—

''(i) IN GENERAL.—A direct primary care service arrangement shall not be treated as a health plan for purposes of subparagraph (A)(ii).

''(ii) DIRECT PRIMARY CARE SERVICE ARRANGEMENT.—For purposes of this subparagraph—

''(I) IN GENERAL.—The term 'direct primary care service arrangement' means, with respect to any individual, an arrangement under which such individual is provided medical care (as defined in section 213(d)) consisting solely of primary care services provided by primary care practitioners (as defined in section 1833(x)(2)(A) of the Social Security Act, determined without regard to clause (ii) thereof), if the sole compensation for such care is a fixed periodic fee.

''(II) LIMITATION.—With respect to any individual for any month, such term shall not include any arrangement if the aggregate fees for all direct primary care service arrangements (determined without regard to this subclause) with respect to such individual for such month exceed $150 (twice such dollar amount in the case of an individual with any direct primary care service arrangement (as so determined) that covers more than one individual).

''(iii) CERTAIN SERVICES SPECIFICALLY EXCLUDED FROM TREATMENT AS PRIMARY CARE SERVICES.—For purposes of this subparagraph, the term 'primary care services' shall not include—

''(I) procedures that require the use of general anesthesia,

''(II) prescription drugs (other than vaccines), and

''(III) laboratory services not typically administered in an ambulatory primary care setting.

The Secretary, after consultation with the Secretary of Health and Human Services, shall issue regulations or other guidance regarding the application of this clause.''.

(b) DIRECT PRIMARY CARE SERVICE ARRANGEMENT FEES TREATED AS MEDICAL EXPENSES.—Section 223(d)(2)(C) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) any direct primary care service arrangement.''.

(c) INFLATION ADJUSTMENT.—Section 223(g)(1) is amended—

(1) by striking ''in subsections (b)(2) and (c)(2)(A)'' and inserting ''in subsections (b)(2), (c)(2)(A), and in the case of taxable years beginning after 2026, (c)(1)(E)(ii)(II)'',

(2) in subparagraph (B), by striking ''clause (ii)'' in clause (i) and inserting ''clauses (ii) and (iii)'', by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', and'', and by inserting after clause (ii) the following new clause:

''(iii) in the case of the dollar amount in subsection (c)(1)(E)(ii)(II), 'calendar year 2025'.'', and

(3) by inserting '', (c)(1)(E)(ii)(II),'' after ''(b)(2)'' in the last sentence.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2025.

CHAPTER 4—PROTECTING RURAL HOSPITALS AND PROVIDERS

SEC. 71401. RURAL HEALTH TRANSFORMATION PROGRAM.

(a) IN GENERAL.—Section 2105 of the Social Security Act (42 U.S.C. 1397ee) is amended by adding at the end the following new subsection:

''(h) RURAL HEALTH TRANSFORMATION PROGRAM.—

''(1) APPROPRIATION.—

''(A) IN GENERAL.—There are appropriated, out of any money in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services (in this subsection referred to as the 'Administrator'), to provide allotments to States for purposes of carrying out the activities described in paragraph (6)—

''(i) $10,000,000,000 for fiscal year 2026;

''(ii) $10,000,000,000 for fiscal year 2027;

''(iii) $10,000,000,000 for fiscal year 2028;

''(iv) $10,000,000,000 for fiscal year 2029; and

''(v) $10,000,000,000 for fiscal year 2030.

''(B) UNEXPENDED OR UNOBLIGATED FUNDS.—

''(i) IN GENERAL.—Any amounts appropriated under subparagraph (A) that are unexpended or unobligated as of October 1, 2032, shall be returned to the Treasury of the United States.

''(ii) REDISTRIBUTION OF UNEXPENDED OR UNOBLIGATED FUNDS.—In carrying out subparagraph (A), the Administrator shall, not later than March 31, 2028, and annually thereafter through March 31, 2032, determine the amount of funds, if any, that are available under such subparagraph for a previous fiscal year, are unexpended or unobligated with respect to such fiscal year, and will not be available to a State in the current fiscal year, pursuant to clause (iii).

''(iii) AVAILABILITY OF FUNDS.—

''(I) IN GENERAL.—Amounts allotted to a State under this subsection for a year shall be available for expenditure by the State through the end of the fiscal year following the fiscal year in which such amounts are allotted.

''(II) AVAILABILITY OF AMOUNTS REDISTRIBUTED.—Amounts redistributed to a State under clause (ii) with respect to a fiscal year shall be available for expenditure by the State through the end of the fiscal year following the fiscal year in which such amounts are redistributed (except in the case of amounts redistributed in fiscal year 2032 which shall only be available for expenditure through September 30, 2032).

''(iv) MISUSE OF FUNDS.—If the Administrator determines that a State is not using amounts allotted or redistributed to the State under this subsection in a manner consistent with the description provided by the State in its application approved under paragraph (2), the Administrator may withhold payments to, or reduce payments to, or recover previous payments from, the State under this subsection as the Administrator deems appropriate, and any amounts so withheld, or that remain after any such reduction, or so recovered, shall be returned to the Treasury of the United States.

''(2) APPLICATION.—

''(A) IN GENERAL.—To be eligible for an allotment under this subsection, a State shall submit to the Administrator during an application submission period to be specified by the Administrator (but that ends not later than December 31, 2025) an application in such form and manner as the Administrator may specify, that includes—

''(i) a detailed rural health transformation plan—

''(I) to improve access to hospitals, other health care providers, and health care items and services furnished to rural residents of the State;

''(II) to improve health care outcomes of rural residents of the State;

''(III) to prioritize the use of new and emerging technologies that emphasize prevention and chronic disease management;

''(IV) to initiate, foster, and strengthen local and regional strategic partnerships between rural hospitals and other health care providers in order to promote measurable quality improvement, increase financial stability, maximize economies of scale, and share best practices in care delivery;

''(V) to enhance economic opportunity for, and the supply of, health care clinicians through enhanced recruitment and training;

''(VI) to prioritize data and technology driven solutions that help rural hospitals and other rural health care providers furnish high-quality health care services as close to a patient's home as is possible;

''(VII) that outlines strategies to manage long-term financial solvency and operating models of rural hospitals in the State; and

''(VIII) that identifies specific causes driving the accelerating rate of stand-alone rural hospitals becoming at risk of closure, conversion, or service reduction;

''(ii) a certification that none of the amounts provided under this subsection shall be used by the State for an expenditure that is attributable to an intergovernmental transfer, certified public expenditure, or any other expenditure to finance the non-Federal share of expenditures required under any provision of law, including under the State plan established under this title, the State plan established under title XIX, or under a waiver of such plans; and

''(iii) such other information as the Administrator may require.

''(B) DEADLINE FOR APPROVAL.—Not later than December 31, 2025, the Administrator shall approve or deny all applications submitted for an allotment under this subsection.

''(C) ONE-TIME APPLICATION.—If an application of a State for an allotment under this subsection is approved by the Administrator, the State shall be eligible for an allotment under this subsection for each of fiscal years 2026 through 2030, except as provided in paragraph (1)(B)(iv).

''(D) ELIGIBILITY.—Only the 50 States shall be eligible for an allotment under this subsection and all references in this subsection to a State shall be treated as only referring to the 50 States.

''(3) ALLOTMENTS.—

''(A) IN GENERAL.—For each of fiscal years 2026 through 2030, the Administrator shall determine under subparagraph (B) the amount of the allotment for such fiscal year for each State with an approved application under this subsection.

''(B) AMOUNT DETERMINED.—Subject to subparagraph (C), from the amounts appropriated under paragraph (1)(A) for each of fiscal years 2026 through 2030, the Administrator shall allot—

''(i) 50 percent of the amounts appropriated for each such fiscal year equally among all States with an approved application under this subsection; and

''(ii) 50 percent of the amounts appropriated for each such fiscal year among all such States in an amount to be determined by the Administrator in accordance with subparagraph (C).

''(C) REQUIREMENTS.—In determining the amount to be allotted to a State under clause (ii) of subparagraph (B) for a fiscal year, the Administrator shall—

''(i) ensure that not less than ¼ of the States with an approved application under this subsection for a fiscal year are allotted funds from amounts that are to be allotted under clause (ii) of such subparagraph; and

''(ii) consider—

''(I) the percentage of the State population that is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725));

''(II) the proportion of rural health facilities (as defined in subparagraph (D)) in the State relative to the number of rural health facilities nationwide;

''(III) the situation of hospitals in the State, as described in section 1902(a)(13)(A)(iv); and

''(IV) any other factors that the Administrator determines appropriate.

''(D) RURAL HEALTH FACILITY DEFINED.—For the purposes of subparagraph (C)(ii), the term 'rural health facility' means the following:

''(i) A subsection (d) hospital (as defined in paragraph (1)(B) of section 1886(d)) that—

''(I) is located in a rural area (as defined in paragraph (2)(D) of such section);

''(II) is treated as being located in a rural area pursuant to paragraph (8)(E) of such section; or

''(III) is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

''(ii) A critical access hospital (as defined in section 1861(mm)(1)).

''(iii) A sole community hospital (as defined in section 1886(d)(5)(D)(iii)).

''(iv) A Medicare-dependent, small rural hospital (as defined in section 1886(d)(5)(G)(iv)).

''(v) A low-volume hospital (as defined in section 1886(d)(12)(C)).

''(vi) A rural emergency hospital (as defined in section 1861(kkk)(2)).

''(vii) A rural health clinic (as defined in section 1861(aa)(2)).

''(viii) A Federally qualified health center (as defined in section 1861(aa)(4)).

''(ix) A community mental health center (as defined in section 1861(ff)(3)(B)).

''(x) A health center that is receiving a grant under section 330 of the Public Health Service Act.

''(xi) An opioid treatment program (as defined in section 1861(jjj)(2)) that is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

''(xii) A certified community behavioral health clinic (as defined in section 1905(jj)(2)) that is located in a rural census tract of a

metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

''(4) NO MATCHING PAYMENT.—A State approved for an allotment under this subsection for a fiscal year shall not be required to provide any matching funds as a condition for receiving payments from the allotment.

''(5) TERMS AND CONDITIONS.—The Administrator shall specify such terms and conditions for allotments to States provided under this subsection as the Administrator deems appropriate, including the following:

''(A) Each State shall submit to the Administrator (at a time, and in a form and manner, specified by the Administrator)—

''(i) a plan for the State to use its allotment to carry out 3 or more of the activities described in paragraph (6); and

''(ii) annual reports on the use of allotments, including such additional information as the Administrator determines appropriate.

''(B) Not more than 10 percent of the amount allotted to a State for a fiscal year may be used by the State for administrative expenses.

''(6) USE OF FUNDS.—Amounts allotted to a State under this subsection shall be used for 3 or more of the following health-related activities:

''(A) Promoting evidence-based, measurable interventions to improve prevention and chronic disease management.

''(B) Providing payments to health care providers for the provision of health care items or services, as specified by the Administrator.

''(C) Promoting consumer-facing, technology-driven solutions for the prevention and management of chronic diseases.

''(D) Providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, artificial intelligence, and other advanced technologies.

''(E) Recruiting and retaining clinical workforce talent to rural areas, with commitments to serve rural communities for a minimum of 5 years.

''(F) Providing technical assistance, software, and hardware for significant information technology advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes.

''(G) Assisting rural communities to right size their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care, outpatient care, and post-acute care service lines.

''(H) Supporting access to opioid use disorder treatment services (as defined in section 1861(jjj)(1)), other substance use disorder treatment services, and mental health services.

''(I) Developing projects that support innovative models of care that include value-based care arrangements and alternative payment models, as appropriate.

''(J) Additional uses designed to promote sustainable access to high quality rural health care services, as determined by the Administrator.

''(7) EXEMPTIONS.—Paragraphs (2), (3), (5), (6), (8), (10), (11), and (12) of subsection (c) do not apply to payments under this subsection.

''(8) REVIEW.—There shall be no administrative or judicial review under section 1116 or otherwise of amounts allotted or redistributed to States under this subsection, payments to States withheld or reduced under this subsection, or previous payments recovered from States under this subsection.

''(9) HEALTH CARE PROVIDER DEFINED.—For purposes of this subsection, the term 'health care provider' means a provider of services or supplier who is enrolled under this title, title XVIII, or title XIX.''.

(b) CONFORMING AMENDMENTS.—Title XXI of the Social Security Act (42 U.S.C. 1397aa) is amended—

(1) in section 2101—

(A) in subsection (a), in the matter preceding paragraph (1), by striking ''The purpose'' and inserting ''Except with respect to the rural health transformation program established in section 2105(h), the purpose''; and

(B) in subsection (b), in the matter preceding paragraph (1), by inserting ''subsection (a) or (g) of'' before ''section 2105'';

(2) in section 2105(c)(1), by striking ''and may not include'' and inserting ''or to carry out the rural health transformation program established in subsection (h) and, except in the case of amounts made available under subsection (h), may not include''; and

(3) in section 2106(a)(1), by inserting ''subsection (a) or (g) of'' before ''section 2105''.

(c) IMPLEMENTATION.—The Administrator of the Centers for Medicare & Medicaid Services shall implement this section, including the amendments made by this section, by program instruction or other forms of program guidance.

(d) IMPLEMENTATION FUNDING.—For the purposes of carrying out the provisions of, and the amendments made by, this section, there are appropriated, out of any monies in the Treasury not otherwise appropriated, to the Administrator of the Centers for Medicare & Medicaid Services, $200,000,000 for fiscal year 2025, to remain available until expended.

Subtitle C—Increase in Debt Limit

SEC. 72001. MODIFICATION OF LIMITATION ON THE PUBLIC DEBT.

The limitation under section 3101(b) of title 31, United States Code, as most recently increased by section 401(b) of Public Law 118–5 (31 U.S.C. 3101 note), is increased by $5,000,000,000,000.

Subtitle D—Unemployment

SEC. 73001. ENDING UNEMPLOYMENT PAYMENTS TO JOBLESS MILLIONAIRES.

(a) PROHIBITION ON USE OF FEDERAL FUNDS.—

(1) IN GENERAL.—No Federal funds may be used—

(A) to make payments of unemployment compensation benefits under an unemployment compensation program of the United States in a year to an individual whose wages during the individual's base period are equal to or exceed $1,000,000; or

(B) for any administrative costs associated with making payments described in subparagraph (A).

(2) COMPLIANCE.—

(A) SELF-CERTIFICATION.—Any application for unemployment compensation under an unemployment compensation program of the United States shall include a form or procedure for an individual applicant to certify that such individual's wages during the individual's base period do not equal or exceed $1,000,000.

(B) VERIFICATION.—Each State agency that is responsible for administering any unemployment compensation program of the United States shall utilize available systems to verify wage eligibility by assessing claimant income to the degree possible.

(3) RECOVERY OF OVERPAYMENTS.—Each State agency that is responsible for administering any unemployment compensation program of the United States shall require individuals who have received amounts of unemployment compensation under such a program to which they were not entitled to repay such amounts.

(4) EFFECTIVE DATE.—The prohibition under paragraph (1) shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

(b) UNEMPLOYMENT COMPENSATION PROGRAM OF THE UNITED STATES DEFINED.—In this section, the term ''unemployment compensation program of the United States'' means—

(1) unemployment compensation for Federal civilian employees under subchapter I of chapter 85 of title 5, United States Code;

(2) unemployment compensation for ex-servicemembers under subchapter II of chapter 85 of title 5, United States Code;

(3) extended benefits under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note);

(4) any Federal temporary extension of unemployment compensation;

(5) any Federal program that increases the weekly amount of unemployment compensation payable to individuals; and

(6) any other Federal program providing for the payment of unemployment compensation, as determined by the Secretary of Labor.

TITLE VIII—COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Subtitle A—Exemption of Certain Assets

SEC. 80001. EXEMPTION OF CERTAIN ASSETS.

(a) EXEMPTION OF CERTAIN ASSETS.—Section 480(f)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(f)(2)) is amended—

(1) by striking ''net value of the'' and inserting the following: ''net value of—

''(A) the'';

(2) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(B) a family farm on which the family resides;

''(C) a small business with not more than 100 full-time or full-time equivalent employees (or any part of such a small business) that is owned and controlled by the family; or

''(D) a commercial fishing business and related expenses, including fishing vessels and permits owned and controlled by the family.''.

(b) EFFECTIVE DATE AND APPLICATION.—The amendments made by subsection (a) shall take effect on July 1, 2026, and shall apply with respect to award year 2026–2027 and each subsequent award year, as determined under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

Subtitle B—Loan Limits

SEC. 81001. ESTABLISHMENT OF LOAN LIMITS FOR GRADUATE AND PROFESSIONAL STUDENTS AND PARENT BORROWERS; TERMINATION OF GRADUATE AND PROFESSIONAL PLUS LOANS.

Section 455(a) of the Higher Education Act of 1965 (20 U.S.C. 1087e(a)) is amended—

(1) in paragraph (3)—

(A) in the paragraph heading, by inserting ''AND FEDERAL DIRECT PLUS LOANS'' after ''LOANS'';

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

''(A) TERMINATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS TO GRADUATE AND PROFESSIONAL STUDENTS.—Subject to subparagraph (B), and notwithstanding any provision of this part or part B—

''(i) for any period of instruction beginning on or after July 1, 2012, a graduate or professional student shall not be eligible to receive a Federal Direct Stafford loan under this part; and

''(ii) for any period of instruction beginning on July 1, 2012, and ending on June 30,

2026, the maximum annual amount of Federal Direct Unsubsidized Stafford loans such a student may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the maximum annual amount for such student determined under section 428H, plus an amount equal to the amount of Federal Direct Stafford loans the student would have received in the absence of this subparagraph.''; and

(C) by adding at the end the following:

''(C) TERMINATION OF AUTHORITY TO MAKE FEDERAL DIRECT PLUS LOANS TO GRADUATE AND PROFESSIONAL STUDENTS.—Subject to paragraph (8) and notwithstanding any provision of this part or part B, for any period of instruction beginning on or after July 1, 2026, a graduate or professional student shall not be eligible to receive a Federal Direct PLUS Loan under this part.''; and

(2) by adding at the end the following:

''(4) GRADUATE AND PROFESSIONAL ANNUAL AND AGGREGATE LIMITS FOR FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOANS BEGINNING JULY 1, 2026.—

''(A) ANNUAL LIMITS BEGINNING JULY 1, 2026.—Subject to paragraphs (7)(A) and (8), beginning on July 1, 2026, the maximum annual amount of Federal Direct Unsubsidized Stafford loans—

''(i) a graduate student, who is not a professional student, may borrow in any academic year or its equivalent shall be $20,500; and

''(ii) a professional student may borrow in any academic year or its equivalent shall be $50,000.

''(B) AGGREGATE LIMITS.—Subject to paragraphs (6), (7)(A), and (8), beginning on July 1, 2026, the maximum aggregate amount of Federal Direct Unsubsidized Stafford loans, in addition to the amount borrowed for undergraduate education, that—

''(i) a graduate student—

''(I) who is not (and has not been) a professional student, may borrow for programs of study described in subparagraph (C)(i) shall be $100,000; or

''(II) who is (or has been) a professional student, may borrow for programs of study described in subparagraph (C)(i) shall be an amount equal to—

''(aa) $200,000; minus

''(bb) the amount such student borrowed for programs of study described in subparagraph (C)(ii); and

''(ii) a professional student—

''(I) who is not (and has not been) a graduate student, may borrow for programs of study described in subparagraph (C)(ii) shall be $200,000; or

''(II) who is (or has been) a graduate student, may borrow for programs of study described in subparagraph (C)(ii) shall be an amount equal to—

''(aa) $200,000; minus

''(bb) the amount such student borrowed for programs of study described in subparagraph (C)(i).

''(C) DEFINITIONS.—

''(i) GRADUATE STUDENT.—The term 'graduate student' means a student enrolled in a program of study that awards a graduate credential (other than a professional degree) upon completion of the program.

''(ii) PROFESSIONAL STUDENT.—In this paragraph, the term 'professional student' means a student enrolled in a program of study that awards a professional degree, as defined under section 668.2 of title 34, Code of Federal Regulations (as in effect on the date of enactment of this paragraph), upon completion of the program.

''(5) PARENT BORROWER ANNUAL AND AGGREGATE LIMITS FOR FEDERAL DIRECT PLUS LOANS BEGINNING JULY 1, 2026.—

''(A) ANNUAL LIMITS.—Subject to paragraph (8) and notwithstanding any provision of this part or part B, beginning on July 1, 2026, for each dependent student, the total maximum annual amount of Federal Direct PLUS loans that may be borrowed on behalf of that dependent student by all parents of that dependent student shall be $20,000.

''(B) AGGREGATE LIMITS.—Subject to paragraph (8) and notwithstanding any provision of this part or part B, beginning on July 1, 2026, for each dependent student, the total maximum aggregate amount of Federal Direct PLUS loans that may be borrowed on behalf of that dependent student by all parents of that dependent student shall be $65,000, without regard to any amounts repaid, forgiven, canceled, or otherwise discharged on any such loan.

''(6) LIFETIME MAXIMUM AGGREGATE AMOUNT FOR ALL STUDENTS.—Subject to paragraph (8) and notwithstanding any provision of this part or part B, beginning on July 1, 2026, the maximum aggregate amount of loans made, insured, or guaranteed under this title that a student may borrow (other than a Federal Direct PLUS loan, or loan under section 428B, made to the student as a parent borrower on behalf of a dependent student) shall be $257,500, without regard to any amounts repaid, forgiven, canceled, or otherwise discharged on any such loan.

''(7) ADDITIONAL RULES REGARDING ANNUAL LOAN LIMITS.—

''(A) LESS THAN FULL-TIME ENROLLMENT.—Notwithstanding any provision of this part or part B, in any case in which a student is enrolled in a program of study of an institution of higher education on less than a full-time basis during any academic year, the amount of a loan that student may borrow for an academic year or its equivalent shall be reduced in direct proportion to the degree to which that student is not so enrolled on a full-time basis, rounded to the nearest whole percentage point, as provided in a schedule of reductions published by the Secretary computed for purposes of this subparagraph.

''(B) INSTITUTIONALLY DETERMINED LIMITS.—Notwithstanding the annual loan limits established under this section and, for undergraduate students, under this part and part B, beginning on July 1, 2026, an institution of higher education (at the discretion of a financial aid administrator at the institution) may limit the total amount of loans made under this part for a program of study for an academic year that a student may borrow, and that a parent may borrow on behalf of such student, as long as any such limit is applied consistently to all students enrolled in such program of study.

''(8) INTERIM EXCEPTION FOR CERTAIN STUDENTS.—

''(A) APPLICATION OF PRIOR LIMITS.—Paragraphs (3)(C), (4), (5), and (6) shall not apply, and paragraph (3)(A)(ii) shall apply as such paragraph was in effect for periods of instruction ending before June 30, 2026, during the expected time to credential described in subparagraph (B), with respect to an individual who, as of June 30, 2026—

''(i) is enrolled in a program of study at an institution of higher education; and

''(ii) has received a loan (or on whose behalf a loan was made) under this part for such program of study.

''(B) EXPECTED TIME TO CREDENTIAL.—For purposes of this paragraph, the expected time to credential of an individual shall be equal to the lesser of—

''(i) three academic years; or

''(ii) the period determined by calculating the difference between—

''(I) the program length for the program of study in which the individual is enrolled; and

''(II) the period of such program of study that such individual has completed as of the date of the determination under this subparagraph.

''(C) DEFINITION OF PROGRAM LENGTH.—In this paragraph, the term 'program length' means the minimum amount of time in weeks, months, or years that is specified in the catalog, marketing materials, or other official publications of an institution of higher education for a full-time student to complete the requirements for a specific program of study.''.

Subtitle C—Loan Repayment

SEC. 82001. LOAN REPAYMENT.

(a) TRANSITION TO INCOME-BASED REPAYMENT PLANS.—

(1) SELECTION.—The Secretary of Education shall take such steps as may be necessary to ensure that before July 1, 2028, each borrower who has one or more loans that are in a repayment status in accordance with, or an administrative forbearance associated with, an income contingent repayment plan authorized under section 455(e) of the Higher Education Act of 1965 (referred to in this subsection as ''covered income contingent loans'') selects one of the following income-based repayment plans that is otherwise applicable, and for which that borrower is otherwise eligible, for the repayment of the covered income contingent loans of the borrower:

(A) The Repayment Assistance Plan under section 455(q) of the Higher Education Act of 1965.

(B) The income-based repayment plan under section 493C of the Higher Education Act of 1965.

(C) Any other repayment plan as authorized under section 455(d)(1) of the Higher Education Act of 1965.

(2) COMMENCEMENT OF NEW REPAYMENT PLAN.—Beginning on July 1, 2028, a borrower described in paragraph (1) shall begin repaying the covered income contingent loans of the borrower in accordance with the repayment plan selected under paragraph (1), unless the borrower chooses to begin repaying in accordance with the repayment plan selected under paragraph (1) before such date.

(3) FAILURE TO SELECT.—In the case of a borrower described in paragraph (1) who fails to select a repayment plan in accordance with such paragraph, the Secretary of Education shall—

(A) enroll the covered income contingent loans of such borrower in—

(i) the Repayment Assistance Plan under section 455(q) of the Higher Education Act of 1965 with respect to loans that are eligible for the Repayment Assistance Plan under such subsection; or

(ii) the income-based repayment plan under section 493C of such Act, with respect to loans that are not eligible for the Repayment Assistance Plan; and

(B) require the borrower to begin repaying covered income contingent loans according to the plans under subparagraph (A) on July 1, 2028.

(b) REPAYMENT PLANS.—Section 455(d) of the Higher Education Act of 1965 (20 U.S.C. 1087e(d)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting ''before July 1, 2026, who has not received a loan made under this part on or after July 1, 2026,'' after ''made under this part'';

(B) in subparagraph (D)—

(i) by inserting ''before June 30, 2028,'' before ''an income contingent repayment plan''; and

(ii) by striking ''and'' after the semicolon;

(C) in subparagraph (E)—

(i) by striking ''that enables borrowers who have a partial financial hardship to make a lower monthly payment'';

(ii) by striking ''a Federal Direct Consolidation Loan, if the proceeds of such loan

were used to discharge the liability on such Federal Direct PLUS Loan or a loan under section 428B made on behalf of a dependent student'' and inserting ''an excepted Consolidation Loan (as defined in section 493C(a)(2))''; and

(iii) by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(F) beginning on July 1, 2026, the income-based Repayment Assistance Plan under subsection (q), provided that—

''(i) such Plan shall not be available for the repayment of excepted loans (as defined in paragraph (7)(E)); and

''(ii) the borrower is required to pay each outstanding loan of the borrower made under this part under such Repayment Assistance Plan, except that a borrower of an excepted loan (as defined in paragraph (7)(E)) may repay the excepted loan separately from other loans under this part obtained by the borrower.'';

(2) in paragraph (5), by amending subparagraph (B) to read as follows:

''(B) repay the loan pursuant to an income-based repayment plan under subsection (q) or section 493C, as applicable.''; and

(3) by adding at the end the following:

''(6) TERMINATION AND LIMITATION OF REPAYMENT AUTHORITY.—

''(A) SUNSET OF REPAYMENT PLANS AVAILABLE BEFORE JULY 1, 2026.—Paragraphs (1) through (4) of this subsection shall only apply to loans made under this part before July 1, 2026.

''(B) PROHIBITIONS.—The Secretary may not, for any loan made under this part on or after July 1, 2026—

''(i) authorize a borrower of such a loan to repay such loan pursuant to a repayment plan that is not described in paragraph (7)(A); or

''(ii) carry out or modify a repayment plan that is not described in such paragraph.

''(7) REPAYMENT PLANS FOR LOANS MADE ON OR AFTER JULY 1, 2026.—

''(A) DESIGN AND SELECTION.—Beginning on July 1, 2026, the Secretary shall offer a borrower of a loan made under this part on or after such date (including such a borrower who also has a loan made under this part before such date) two plans for repayment of the borrower's loans under this part, including principal and interest on such loans. The borrower shall be entitled to accelerate, without penalty, repayment on such loans. The borrower may choose—

''(i) a standard repayment plan—

''(I) with a fixed monthly repayment amount paid over a fixed period of time equal to the applicable period determined under subclause (II); and

''(II) with the applicable period of time for repayment determined based on the total outstanding principal of all loans of the borrower made under this part before, on, or after July 1, 2026, at the time the borrower is entering repayment under such plan, as follows—

''(aa) for a borrower with total outstanding principal of less than $25,000, a period of 10 years;

''(bb) for a borrower with total outstanding principal of not less than $25,000 and less than $50,000, a period of 15 years;

''(cc) for a borrower with total outstanding principal of not less than $50,000 and less than $100,000, a period of 20 years; and

''(dd) for a borrower with total outstanding principal of $100,000 or more, a period of 25 years; or

''(ii) the income-based Repayment Assistance Plan under subsection (q).

''(B) SELECTION BY SECRETARY.—If a borrower of a loan made under this part on or after July 1, 2026, does not select a repayment plan described in subparagraph (A), the Secretary shall provide the borrower with the standard repayment plan described in subparagraph (A)(i).

''(C) SELECTION APPLIES TO ALL OUTSTANDING LOANS.—A borrower is required to pay each outstanding loan of the borrower made under this part under the same selected repayment plan, except that a borrower who selects the Repayment Assistance Plan and also has an excepted loan that is not eligible for repayment under such Repayment Assistance Plan shall repay the excepted loan separately from other loans under this part obtained by the borrower.

''(D) CHANGES OF REPAYMENT PLAN.—A borrower may change the borrower's selection of—

''(i) the standard repayment plan under subparagraph (A)(i), or the Secretary's selection of such plan for the borrower under subparagraph (B), as the case may be, to the Repayment Assistance Plan under subparagraph (A)(ii) at any time; and

''(ii) the Repayment Assistance Plan under subparagraph (A)(ii) to the standard repayment plan under subparagraph (A)(i) at any time.

''(E) REPAYMENT FOR BORROWERS WITH EXCEPTED LOANS MADE ON OR AFTER JULY 1, 2026.—

''(i) STANDARD REPAYMENT PLAN REQUIRED.—Notwithstanding subparagraphs (A) through (D), beginning on July 1, 2026, the Secretary shall require a borrower who has received an excepted loan made on or after such date (including such a borrower who also has an excepted loan made before such date) to repay each excepted loan, including principal and interest on those excepted loans, under the standard repayment plan under subparagraph (A)(i). The borrower shall be entitled to accelerate, without penalty, repayment on such loans.

''(ii) EXCEPTED LOAN DEFINED.—For the purposes of this paragraph, the term 'excepted loan' means a loan with an outstanding balance that is—

''(I) a Federal Direct PLUS Loan that is made on behalf of a dependent student; or

''(II) a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on—

''(aa) an excepted PLUS loan, as defined in section 493C(a)(1); or

''(bb) an excepted consolidation loan (as such term is defined in section 493C(a)(2)(A), notwithstanding subparagraph (B) of such section).''.

(c) ELIMINATION OF AUTHORITY TO PROVIDE INCOME CONTINGENT REPAYMENT PLANS.—

(1) REPEAL.—Subsection (e) of section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e(e)) is repealed.

(2) FURTHER AMENDMENTS TO ELIMINATE INCOME CONTINGENT REPAYMENT.—

(A) Section 428 of the Higher Education Act of 1965 (20 U.S.C. 1078) is amended—

(i) in subsection (b)(1)(D), by striking ''be subject to income contingent repayment in accordance with subsection (m)'' and inserting ''be subject to income-based repayment in accordance with subsection (m)''; and

(ii) in subsection (m)—

(I) in the subsection heading, by striking ''INCOME CONTINGENT AND'';

(II) by amending paragraph (1) to read as follows:

''(1) AUTHORITY OF SECRETARY TO REQUIRE.—The Secretary may require borrowers who have defaulted on loans made under this part that are assigned to the Secretary under subsection (c)(8) to repay those loans pursuant to an income-based repayment plan under section 493C.''; and

(III) in the heading of paragraph (2), by striking ''INCOME CONTINGENT OR''.

(B) Section 428C of the Higher Education Act of 1965 (20 U.S.C. 1078–3) is amended—

(i) in subsection (a)(3)(B)(i)(V)(aa), by striking ''for the purposes of obtaining income contingent repayment or income-based repayment'' and inserting ''for the purposes of qualifying for an income-based repayment plan under section 455(q) or section 493C, as applicable'';

(ii) in subsection (b)(5), by striking ''be repaid either pursuant to income contingent repayment under part D of this title, pursuant to income-based repayment under section 493C, or pursuant to any other repayment provision under this section'' and inserting ''be repaid pursuant to an income-based repayment plan under section 493C or any other repayment provision under this section''; and

(iii) in subsection (c)—

(I) in paragraph (2)(A), by striking ''or by the terms of repayment pursuant to income contingent repayment offered by the Secretary under subsection (b)(5)'' and inserting ''or by the terms of repayment pursuant to an income-based repayment plan under section 493C''; and

(II) in paragraph (3)(B), by striking ''except as required by the terms of repayment pursuant to income contingent repayment offered by the Secretary under subsection (b)(5)'' and inserting ''except as required by the terms of repayment pursuant to an income-based repayment plan under section 493C''.

(C) Section 485(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(d)(1)) is amended by striking ''income-contingent and''.

(D) Section 494(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1098h(a)(2)) is amended—

(i) in the paragraph heading, by striking ''INCOME-CONTINGENT AND INCOME-BASED'' and inserting ''INCOME-BASED''; and

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking ''income-contingent or''; and

(II) in clause (ii)(I), by striking ''section 455(e)(8) or the equivalent procedures established under section 493C(c)(2)(B), as applicable'' and inserting ''section 493C(c)(2)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on July 1, 2028.

(d) REPAYMENT ASSISTANCE PLAN.—Section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e) is amended by adding at the end the following new subsection:

''(q) REPAYMENT ASSISTANCE PLAN.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, beginning on July 1, 2026, the Secretary shall carry out an income-based repayment plan (to be known as the 'Repayment Assistance Plan'), that shall have the following terms and conditions:

''(A) The total monthly repayment amount owed by a borrower for all of the loans of the borrower that are repaid pursuant to the Repayment Assistance Plan shall be equal to the applicable monthly payment of a borrower calculated under paragraph (4)(B), except that the borrower may not be precluded from repaying an amount that exceeds such amount for any month.

''(B) The Secretary shall apply the borrower's applicable monthly payment under this paragraph first toward interest due on each such loan, next toward any fees due on each loan, and then toward the principal of each loan.

''(C) Any principal due and not paid under subparagraph (B) or paragraph (2)(B) shall be deferred.

''(D) A borrower who is not in a period of deferment or forbearance shall make an applicable monthly payment for each month until the earlier of—

''(i) the date on which the outstanding balance of principal and interest due on all of

the loans of the borrower that are repaid pursuant to the Repayment Assistance Plan is $0; or

''(ii) the date on which the borrower has made 360 qualifying monthly payments.

''(E) The Secretary shall cancel any outstanding balance of principal and interest due on a loan made under this part to a borrower—

''(i) who, for any period of time, participated in the Repayment Assistance Plan under this subsection;

''(ii) whose most recent payment for such loan prior to the loan cancellation under this subparagraph was made under such Repayment Assistance Plan; and

''(iii) who has made 360 qualifying monthly payments on such loan.

''(F) For the purposes of this subsection, the term 'qualifying monthly payment' means any of the following:

''(i) An on-time applicable monthly payment under this subsection.

''(ii) An on-time monthly payment under the standard repayment plan under subsection (d)(7)(A)(i) of not less than the monthly payment required under such plan.

''(iii) A monthly payment under any repayment plan (excluding the Repayment Assistance Plan under this subsection) of not less than the monthly payment that would be required under a standard repayment plan under section 455(d)(1)(A) with a repayment period of 10 years.

''(iv) A monthly payment under section 493C of not less than the monthly payment required under such section, including a monthly payment equal to the minimum payment amount permitted under such section.

''(v) A monthly payment made before July 1, 2028, under an income contingent repayment plan carried out under section 455(d)(1)(D) (or under an alternative repayment plan in lieu of repayment under such an income contingent repayment plan, if placed in such an alternative repayment plan by the Secretary) of not less than the monthly payment required under such a plan, including a monthly payment equal to the minimum payment amount permitted under such a plan.

''(vi) A month when the borrower did not make a payment because the borrower was in deferment under subsection (f)(2)(B) or due to an economic hardship described in subsection (f)(2)(D).

''(vii) A month that ended before the date of enactment of this subsection when the borrower did not make a payment because the borrower was in a period of deferment or forbearance described in section 685.209(k)(4)(iv) of title 34, Code of Federal Regulations (as in effect on the date of enactment of this subsection).

''(G) The procedures established by the Secretary under section 493C(c) shall apply for annually determining the borrower's eligibility for the Repayment Assistance Plan, including verification of a borrower's annual income and the annual amount due on the total amount of loans eligible to be repaid under this subsection, and such other procedures as are necessary to effectively implement income-based repayment under this subsection. With respect to carrying out section 494(a)(2) for the Repayment Assistance Plan, an individual may elect to opt out of the disclosures required under section 494(a)(2)(A)(ii) in accordance with the procedures established under section 493C(c)(2).

''(2) BALANCE ASSISTANCE FOR DISTRESSED BORROWERS.—

''(A) INTEREST SUBSIDY.—With respect to a borrower of a loan made under this part, for each month for which such a borrower makes an on-time applicable monthly payment required under paragraph (1)(A) and such monthly payment is insufficient to pay the total amount of interest that accrues for the month on all loans of the borrower repaid pursuant to the Repayment Assistance Plan under this subsection, the amount of interest accrued and not paid for the month shall not be charged to the borrower.

''(B) MATCHING PRINCIPAL PAYMENT.—With respect to a borrower of a loan made under this part and not in a period of deferment or forbearance, for each month for which a borrower makes an on-time applicable monthly payment required under paragraph (1)(A) and such monthly payment reduces the total outstanding principal balance of all loans of the borrower repaid pursuant to the Repayment Assistance Plan under this subsection by less than $50, the Secretary shall reduce such total outstanding principal balance of the borrower by an amount that is equal to—

''(i) the amount that is the lesser of—

''(I) $50; or

''(II) the total amount paid by the borrower for such month pursuant to paragraph (1)(A); minus

''(ii) the total amount paid by the borrower for such month pursuant to paragraph (1)(A) that is applied to such total outstanding principal balance.

''(3) ADDITIONAL DOCUMENTS.—A borrower who chooses, or is required, to repay a loan under this subsection, and for whom adjusted gross income is unavailable or does not reasonably reflect the borrower's current income, shall provide to the Secretary other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine repayment under this subsection.

''(4) DEFINITIONS.—In this subsection:

''(A) ADJUSTED GROSS INCOME.—The term 'adjusted gross income', when used with respect to a borrower, means the adjusted gross income (as such term is defined in section 62 of the Internal Revenue Code of 1986) of the borrower (and the borrower's spouse, as applicable) for the most recent taxable year, except that, in the case of a married borrower who files a separate Federal income tax return, the term does not include the adjusted gross income of the borrower's spouse.

''(B) APPLICABLE MONTHLY PAYMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), (iii), or (vi), the term 'applicable monthly payment' means, when used with respect to a borrower, the amount equal to—

''(I) the applicable base payment of the borrower, divided by 12; minus

''(II) $50 for each dependent of the borrower (which, in the case of a married borrower filing a separate Federal income tax return, shall include only each dependent that the borrower claims on that return).

''(ii) MINIMUM AMOUNT.—In the case of a borrower with an applicable monthly payment amount calculated under clause (i) that is less than $10, the applicable monthly payment of the borrower shall be $10.

''(iii) FINAL PAYMENT.—In the case of a borrower whose total outstanding balance of principal and interest on all of the loans of the borrower that are repaid pursuant to the Repayment Assistance Plan is less than the applicable monthly payment calculated pursuant to clause (i) or (ii), as applicable, then the applicable monthly payment of the borrower shall be the total outstanding balance of principal and interest on all such loans.

''(iv) BASE PAYMENT.—The amount of the applicable base payment for a borrower with an adjusted gross income of—

''(I) not more than $10,000, is $120;

''(II) more than $10,000 and not more than $20,000, is 1 percent of such adjusted gross income;

''(III) more than $20,000 and not more than $30,000, is 2 percent of such adjusted gross income;

''(IV) more than $30,000 and not more than $40,000, is 3 percent of such adjusted gross income;

''(V) more than $40,000 and not more than $50,000, is 4 percent of such adjusted gross income;

''(VI) more than $50,000 and not more than $60,000, is 5 percent of such adjusted gross income;

''(VII) more than $60,000 and not more than $70,000, is 6 percent of such adjusted gross income;

''(VIII) more than $70,000 and not more than $80,000, is 7 percent of such adjusted gross income;

''(IX) more than $80,000 and not more than $90,000, is 8 percent of such adjusted gross income;

''(X) more than $90,000 and not more than $100,000, is 9 percent of such adjusted gross income; and

''(XI) more than $100,000, is 10 percent of such adjusted gross income.

''(v) DEPENDENT.—For the purposes of this paragraph, the term 'dependent' means an individual who is a dependent under section 152 of the Internal Revenue Code of 1986.

''(vi) SPECIAL RULE.—In the case of a borrower who is required by the Secretary to provide information to the Secretary to determine the applicable monthly payment of the borrower under this subparagraph, and who does not comply with such requirement, the applicable monthly payment of the borrower shall be—

''(I) the sum of the monthly payment amounts the borrower would have paid for each of the borrower's loans made under this part under a standard repayment plan with a fixed monthly repayment amount, paid over a period of 10 years, based on the outstanding principal due on such loan when such loan entered repayment; and

''(II) determined pursuant to this clause until the date on which the borrower provides such information to the Secretary.''.

(e) FEDERAL CONSOLIDATION LOANS.—Section 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1087e(g)) is amended by adding at the end the following new paragraph:

''(3) CONSOLIDATION LOANS MADE ON OR AFTER JULY 1, 2026.—A Federal Direct Consolidation Loan offered to a borrower under this part on or after July 1, 2026, may only be repaid pursuant to a repayment plan described in clause (i) or (ii) of subsection (d)(7)(A) of this section, as applicable, and the repayment schedule of such a Consolidation Loan shall be determined in accordance with such repayment plan.''.

(f) INCOME-BASED REPAYMENT.—

(1) AMENDMENTS.—

(A) EXCEPTED CONSOLIDATION LOAN DEFINED.—Section 493C(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1098e(a)(2)) is amended to read as follows:

''(2) EXCEPTED CONSOLIDATION LOAN.—

''(A) IN GENERAL.—The term 'excepted consolidation loan' means—

''(i) a consolidation loan under section 428C, or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on an excepted PLUS loan; or

''(ii) a consolidation loan under section 428C, or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on a consolidation loan under section 428C, or a Federal Direct Consolidation Loan described in clause (i).

''(B) EXCLUSION.—The term 'excepted consolidation loan' does not include a Federal Direct Consolidation Loan described in subparagraph (A) that, on any date during the period beginning on the date of enactment of this subparagraph and ending on June 30, 2028, was being repaid—

''(i) pursuant to the Income Contingent Repayment (ICR) plan in accordance with section 685.209(b) of title 34, Code of Federal Regulations (as in effect on June 30, 2023); or

''(ii) pursuant to another income driven repayment plan.''.

(B) TERMINATION OF PARTIAL FINANCIAL HARDSHIP ELIGIBILITY.—Section 493C(a)(3) of the Higher Education Act of 1965 (20 U.S.C. 1098e(a)(3)) is amended to read as follows:

''(3) APPLICABLE AMOUNT.—The term 'applicable amount' means 15 percent of the result obtained by calculating, on at least an annual basis, the amount by which—

''(A) the borrower's, and the borrower's spouse's (if applicable), adjusted gross income; exceeds

''(B) 150 percent of the poverty line applicable to the borrower's family size as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).''.

(C) TERMS OF INCOME-BASED REPAYMENT.—Section 493C(b) of the Higher Education Act of 1965 (20 U.S.C. 1098e(b)) is amended—

(i) by amending paragraph (1) to read as follows:

''(1) a borrower of any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan), may elect to have the borrower's aggregate monthly payment for all such loans not exceed the applicable amount divided by 12;'';

(ii) by striking paragraph (6) and inserting the following:

''(6) if the monthly payment amount calculated under this section for all loans made to the borrower under part B or D (other than an excepted PLUS loan or excepted consolidation loan) exceeds the monthly amount calculated under section 428(b)(9)(A)(i) or 455(d)(1)(A), based on a 10-year repayment period, when the borrower first made the election described in this subsection (referred to in this paragraph as the 'standard monthly repayment amount'), or if the borrower no longer wishes to continue the election under this subsection, then—

''(A) the maximum monthly payment required to be paid for all loans made to the borrower under part B or D (other than an excepted PLUS loan or excepted consolidation loan) shall be the standard monthly repayment amount; and

''(B) the amount of time the borrower is permitted to repay such loans may exceed 10 years;'';

(iii) in paragraph (7)(B)(iv), by inserting ''(as such section was in effect on the day before the date of the repeal of section 455(e)'' after ''section 455(d)(1)(D)''; and

(iv) in paragraph (8), by inserting ''or the Repayment Assistance Program under section 455(q)'' after ''standard repayment plan''.

(D) ELIGIBILITY DETERMINATIONS.—Section 493C(c) of the Higher Education Act of 1965 (20 U.S.C. 1098e(c)) is amended to read as follows:

''(c) ELIGIBILITY DETERMINATIONS; AUTOMATIC RECERTIFICATION.—

''(1) IN GENERAL.—The Secretary shall establish procedures for annually determining, in accordance with paragraph (2), the borrower's eligibility for income-based repayment, including the verification of a borrower's annual income and the annual amount due on the total amount of loans made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan), and such other procedures as are necessary to effectively implement income-based repayment under this section. The Secretary shall consider, but is not limited to, the procedures established in accordance with section 455(e)(1) (as in effect on the day before the date of repeal of subsection (e) of section 455) or in connection with income sensitive repayment schedules under section 428(b)(9)(A)(iii) or 428C(b)(1)(E).

''(2) AUTOMATIC RECERTIFICATION.—

''(A) IN GENERAL.—The Secretary shall establish and implement, with respect to any borrower enrolled in an income-based repayment program under this section or under section 455(q), procedures to—

''(i) use return information disclosed under section 6103(l)(13) of the Internal Revenue Code of 1986, pursuant to approval provided under section 494, to determine the repayment obligation of the borrower without further action by the borrower;

''(ii) allow the borrower (or the spouse of the borrower), at any time, to opt out of disclosure under such section 6103(l)(13) and instead provide such information as the Secretary may require to determine the repayment obligation of the borrower (or withdraw from the repayment plan under this section or under section 455(q), as the case may be); and

''(iii) provide the borrower with an opportunity to update the return information so disclosed before the determination of the repayment obligation of the borrower.

''(B) APPLICABILITY.—Subparagraph (A) shall apply to each borrower of a loan eligible to be repaid under this section or under section 455(q), who, on or after the date on which the Secretary establishes procedures under such subparagraph (A)—

''(i) selects, or is required to repay such loan pursuant to, an income-based repayment plan under this section or under section 455(q); or

''(ii) recertifies income or family size under such plan.''.

(E) SPECIAL TERMS FOR NEW BORROWERS ON AND AFTER JULY 1, 2014.—Section 493C(e) of the Higher Education Act of 1965 (20 U.S.C. 1098e(e)) is amended—

(i) in the subsection heading, by inserting ''AND BEFORE JULY 1, 2026'' after ''AFTER JULY 1, 2014'' ; and

(ii) by inserting ''and before July 1, 2026'' after ''after July 1, 2014''.

(2) EFFECTIVE DATE AND APPLICATION.—The amendments made by this subsection shall take effect on the date of enactment of this title, and shall apply with respect to any borrower who is in repayment before, on, or after the date of enactment of this title.

(g) FFEL ADJUSTMENT.—Section 428(b)(9)(A)(v) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(9)(A)(v)) is amended by striking ''who has a partial financial hardship''.

SEC. 82002. DEFERMENT; FORBEARANCE.

(a) SUNSET OF ECONOMIC HARDSHIP AND UNEMPLOYMENT DEFERMENTS.—Section 455(f) of the Higher Education Act of 1965 (20 U.S.C. 1087e(f)) is amended—

(1) by striking the subsection heading and inserting the following: ''DEFERMENT; FORBEARANCE'';

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ''not in'' and inserting ''subject to paragraph (7), not in'' ; and

(B) in subparagraph (D), by striking ''not in'' and inserting ''subject to paragraph (7), not in''; and

(3) by adding at the end the following:

''(7) SUNSET OF UNEMPLOYMENT AND ECONOMIC HARDSHIP DEFERMENTS.—A borrower who receives a loan made under this part on or after July 1, 2027, shall not be eligible to defer such loan under subparagraph (B) or (D) of paragraph (2).''.

(b) FORBEARANCE ON LOANS MADE UNDER THIS PART ON OR AFTER JULY 1, 2027.—Section 455(f) of the Higher Education Act of 1965 (20 U.S.C. 1087e(f)) is amended by adding at the end the following:

''(8) FORBEARANCE ON LOANS MADE UNDER THIS PART ON OR AFTER JULY 1, 2027.—A borrower who receives a loan made under this part on or after July 1, 2027, may only be eligible for a forbearance on such loan pursuant to section 428(c)(3)(B) that does not exceed 9 months during any 24-month period.''.

SEC. 82003. LOAN REHABILITATION.

(a) UPDATING LOAN REHABILITATION LIMITS.—

(1) FFEL AND DIRECT LOANS.—Section 428F(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1078–6(a)(5)) is amended by striking ''one time'' and inserting ''two times''.

(2) PERKINS LOANS.—Section 464(h)(1)(D) of the Higher Education Act of 1965 (20 U.S.C. 1087dd(h)(1)(D)) is amended by striking ''once'' and inserting ''twice''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect beginning on July 1, 2027, and shall apply with respect to any loan made, insured, or guaranteed under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(b) MINIMUM MONTHLY PAYMENT AMOUNT.—Section 428F(a)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1078–6(a)(1)(B)) is amended by adding at the end the following: ''With respect to a borrower who has 1 or more loans made under part D on or after July 1, 2027 that are described in subparagraph (A), the total monthly payment of the borrower for all such loans shall not be less than $10.''.

SEC. 82004. PUBLIC SERVICE LOAN FORGIVENESS.

Section 455(m)(1)(A) of the Higher Education Act of 1965 (20 U.S.C. 1087e(m)(1)(A)) is amended—

(1) in clause (iii), by striking ''; or'' and inserting a semicolon;

(2) in clause (iv), by striking ''; and'' and inserting ''(as in effect on the day before the date of the repeal of subsection (e) of this section); or''; and

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

''(v) on-time payments under the Repayment Assistance Plan under subsection (q); and''.

SEC. 82005. STUDENT LOAN SERVICING.

Paragraph (1) of section 458(a) of the Higher Education Act of 1965 (20 U.S.C. 1087h(a)(1)) is amended to read as follows:

''(1) ADDITIONAL MANDATORY FUNDS FOR SERVICING.—There shall be available to the Secretary (in addition to any other amounts appropriated under any appropriations Act for administrative costs under this part and part B and out of any money in the Treasury not otherwise appropriated) $1,000,000,000 to be obligated for administrative costs under this part and part B, including the costs of servicing the direct student loan programs under this part, which shall remain available until expended.''.

Subtitle D—Pell Grants

SEC. 83001. ELIGIBILITY.

(a) FOREIGN INCOME AND FEDERAL PELL GRANT ELIGIBILITY.—

(1) ADJUSTED GROSS INCOME DEFINED.—Section 401(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1070a(a)(2)(A)) is amended to read as follows:

''(A) the term 'adjusted gross income' means—

''(i) in the case of a dependent student, for the second tax year preceding the academic year—

''(I) the adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the student's parents; plus

''(II) for Federal Pell Grant determinations made for academic years beginning on or after July 1, 2026, the foreign income (as described in section 480(b)(5)) of the student's parents; and

''(ii) in the case of an independent student, for the second tax year preceding the academic year—

''(I) the adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the student (and the student's spouse, if applicable); plus

''(II) for Federal Pell Grant determinations made for academic years beginning on or after July 1, 2026, the foreign income (as described in section 480(b)(5)) of the student (and the student's spouse, if applicable);''.

(2) SUNSET.—Section 401(b)(1)(D) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)(1)(D)) is amended—

(A) by striking ''A student'' and inserting ''For each academic year beginning before July 1, 2026, a student''; and

(B) by inserting '', as in effect for such academic year,'' after ''section 479A(b)(1)(B)(v)''.

(3) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 479A(b)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1087tt(b)(1)(B)) is amended—

(i) by striking clause (v); and

(ii) by redesignating clauses (vi) and (vii) as clauses (v) and (vi), respectively.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on July 1, 2026.

(b) FEDERAL PELL GRANT INELIGIBILITY DUE TO A HIGH STUDENT AID INDEX.—

(1) IN GENERAL.—Section 401(b)(1) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)(1)) is amended by adding at the end the following:

''(F) INELIGIBILITY OF STUDENTS WITH A HIGH STUDENT AID INDEX.—Notwithstanding subparagraphs (A) through (E), a student shall not be eligible for a Federal Pell Grant under this subsection for an academic year in which the student has a student aid index that equals or exceeds twice the amount of the total maximum Federal Pell Grant for such academic year.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on July 1, 2026.

SEC. 83002. WORKFORCE PELL GRANTS.

(a) IN GENERAL.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended by adding at the end the following:

''(k) WORKFORCE PELL GRANT PROGRAM.—

''(1) IN GENERAL.—For the award year beginning on July 1, 2026, and each subsequent award year, the Secretary shall award grants (to be known as 'Workforce Pell Grants') to eligible students under paragraph (2) in accordance with this subsection.

''(2) ELIGIBLE STUDENTS.—To be eligible to receive a Workforce Pell Grant under this subsection for any period of enrollment, a student shall meet the eligibility requirements for a Federal Pell Grant under this section, except that the student—

''(A) shall be enrolled, or accepted for enrollment, in an eligible program under section 481(b)(3) (hereinafter referred to as an 'eligible workforce program'); and

''(B) may not—

''(i) be enrolled, or accepted for enrollment, in a program of study that leads to a graduate credential; or

''(ii) have attained such a credential.

''(3) TERMS AND CONDITIONS OF AWARDS.—The Secretary shall award Workforce Pell Grants under this subsection in the same manner and with the same terms and conditions as the Secretary awards Federal Pell Grants under this section, except that—

''(A) each use of the term 'eligible program' (except in subsection (b)(9)(A)) shall be substituted by 'eligible workforce program under section 481(b)(3)';

''(B) the provisions of subsection (d)(2) shall not be applicable to eligible workforce programs; and

''(C) a student who is eligible for a grant equal to less than the amount of the minimum Federal Pell Grant because the eligible workforce program in which the student is enrolled or accepted for enrollment is less than an academic year (in hours of instruction or weeks of duration) may still be eligible for a Workforce Pell Grant in an amount that is prorated based on the length of the program.

''(4) PREVENTION OF DOUBLE BENEFITS.—No eligible student described in paragraph (2) may concurrently receive a grant under both this subsection and—

''(A) subsection (b); or

''(B) subsection (c).

''(5) DURATION LIMIT.—Any period of study covered by a Workforce Pell Grant awarded under this subsection shall be included in determining a student's duration limit under subsection (d)(5).''.

(b) PROGRAM ELIGIBILITY FOR WORKFORCE PELL GRANTS.—Section 481(b) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

''(3)(A) A program is an eligible program for purposes of the Workforce Pell Grant program under section 401(k) only if—

''(i) it is a program of at least 150 clock hours of instruction, but less than 600 clock hours of instruction, or an equivalent number of credit hours, offered by an eligible institution during a minimum of 8 weeks, but less than 15 weeks;

''(ii) it is not offered as a correspondence course, as defined in 600.2 of title 34, Code of Federal Regulations (as in effect on July 1, 2021);

''(iii) the Governor of a State, after consultation with the State board, determines that the program—

''(I) provides an education aligned with the requirements of high-skill, high-wage (as identified by the State pursuant to section 122 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2342)), or in-demand industry sectors or occupations;

''(II) meets the hiring requirements of potential employers in the sectors or occupations described in subclause (I);

''(III) either—

''(aa) leads to a recognized postsecondary credential that is stackable and portable across more than one employer; or

''(bb) with respect to students enrolled in the program—

''(AA) prepares such students for employment in an occupation for which there is only one recognized postsecondary credential; and

''(BB) provides such students with such a credential upon completion of such program; and

''(IV) prepares students to pursue 1 or more certificate or degree programs at 1 or more institutions of higher education (which may include the eligible institution providing the program), including by ensuring—

''(aa) that a student, upon completion of the program and enrollment in such a related certificate or degree program, will receive academic credit for the Workforce Pell program that will be accepted toward meeting such certificate or degree program requirements; and

''(bb) the acceptability of such credit toward meeting such certificate or degree program requirements; and

''(iv) after the Governor of such State makes the determination that the program meets the requirements under clause (iii), the Secretary determines that—

''(I) the program has been offered by the eligible institution for not less than 1 year prior to the date on which the Secretary makes a determination under this clause;

''(II) for each award year, the program has a verified completion rate of at least 70 percent, within 150 percent of the normal time for completion;

''(III) for each award year, the program has a verified job placement rate of at least 70 percent, measured 180 days after completion; and

''(IV) for each award year, the total amount of the published tuition and fees of the program for such year is an amount that does not exceed the value-added earnings of students who received Federal financial aid under this title and who completed the program 3 years prior to the award year, as such earnings are determined by calculating the difference between—

''(aa) the median earnings of such students, as adjusted by the State and metropolitan area regional price parities of the Bureau of Economic Analysis based on the location of such program; and

''(bb) 150 percent of the poverty line applicable to a single individual as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) for such year.

''(B) In this paragraph:

''(i) The term 'eligible institution' means an eligible institution for purposes of section 401.

''(ii) The term 'Governor' means the chief executive of a State.

''(iii) The terms 'in-demand industry sector or occupation', 'recognized postsecondary credential', and 'State board' have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act.''.

(c) EFFECTIVE DATE; APPLICABILITY.—The amendments made by this section shall take effect on July 1, 2026, and shall apply with respect to award year 2026–2027 and each succeeding award year.

SEC. 83003. PELL SHORTFALL.

Section 401(b)(7)(A)(iii) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)(7)(A)(iii)) is amended by striking ''$2,170,000,000'' and inserting ''$12,670,000,000''.

SEC. 83004. FEDERAL PELL GRANT EXCLUSION RELATING TO OTHER GRANT AID.

Section 401(d) of the Higher Education Act of 1965 (20 U.S.C. 1070a(d)) is amended by adding at the end the following:

''(6) EXCLUSION.—Beginning on July 1, 2026, and notwithstanding this subsection or subsection (b), a student shall not be eligible for a Federal Pell Grant under subsection (b) during any period for which the student receives grant aid from non-Federal sources, including States, institutions of higher education, or private sources, in an amount that equals or exceeds the student's cost of attendance for such period.''.

Subtitle E—Accountability

SEC. 84001. INELIGIBILITY BASED ON LOW EARNING OUTCOMES.

Section 454 of the Higher Education Act of 1965 (20 U.S.C. 1087d) is amended—

(1) in subsection (a)—

(A) in paragraph (5), by striking ''and'' after the semicolon;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following:

''(6) provide assurances that, beginning July 1, 2026, the institution will comply with all requirements of subsection (c); and'';

(2) in subsection (b)(2), by striking ''and (6)'' and inserting ''(6), and (7)'';

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following:

''(c) INELIGIBILITY FOR CERTAIN PROGRAMS BASED ON LOW EARNING OUTCOMES.—

''(1) IN GENERAL.—Notwithstanding section 481(b), an institution of higher education subject to this subsection shall not use funds under this part for student enrollment in an educational program offered by the institution that is described in paragraph (2).

''(2) LOW-EARNING OUTCOME PROGRAMS DESCRIBED.—An educational program at an institution is described in this paragraph if the program awards an undergraduate degree, graduate or professional degree, or graduate certificate, for which the median earnings (as determined by the Secretary) of the programmatic cohort of students who received funds under this title for enrollment in such program, who completed such program during the academic year that is 4 years before the year of the determination, who are not enrolled in any institution of higher education, and who are working, are, for not less than 2 of the 3 years immediately preceding the date of the determination, less than the median earnings of a working adult described in paragraph (3) for the corresponding year.

''(3) CALCULATION OF MEDIAN EARNINGS.—

''(A) WORKING ADULT.—For purposes of applying paragraph (2) to an educational program at an institution, a working adult described in this paragraph is a working adult who, for the corresponding year—

''(i) is aged 25 to 34;

''(ii) is not enrolled in an institution of higher education; and

''(iii)(I) in the case of a determination made for an educational program that awards a baccalaureate or lesser degree, has only a high school diploma or its recognized equivalent; or

''(II) in the case of a determination made for a graduate or professional program, has only a baccalaureate degree.

''(B) SOURCE OF DATA.—For purposes of applying paragraph (2) to an educational program at an institution, the median earnings of a working adult, as described in subparagraph (A), shall be based on data from the Bureau of the Census—

''(i) with respect to an educational program that awards a baccalaureate or lesser degree—

''(I) for the State in which the institution is located; or

''(II) if fewer than 50 percent of the students enrolled in the institution reside in the State where the institution is located, for the entire United States; and

''(ii) with respect to an educational program that is a graduate or professional program—

''(I) for the lowest median earnings of—

''(aa) a working adult in the State in which the institution is located;

''(bb) a working adult in the same field of study (as determined by the Secretary, such as by using the 2-digit CIP code) in the State in which the institution is located; and

''(cc) a working adult in the same field of study (as so determined) in the entire United States; or

''(II) if fewer than 50 percent of the students enrolled in the institution reside in the State where the institution is located, for the lower median earnings of—

''(aa) a working adult in the entire United States; or

''(bb) a working adult in the same field of study (as so determined) in the entire United States.

''(4) SMALL PROGRAMMATIC COHORTS.—For any year for which the programmatic cohort described in paragraph (2) for an educational program of an institution is fewer than 30 individuals, the Secretary shall—

''(A) first, aggregate additional years of programmatic data in order to achieve a cohort of at least 30 individuals; and

''(B) second, in cases in which the cohort (including the individuals added under subparagraph (A)) is still fewer than 30 individuals, aggregate additional cohort years of programmatic data for educational programs of equivalent length in order to achieve a cohort of at least 30 individuals.

''(5) APPEALS PROCESS.—An educational program shall not lose eligibility under this subsection unless the institution has had the opportunity to appeal the programmatic median earnings of students working and not enrolled determination under paragraph (2), through a process established by the Secretary. During such appeal, the Secretary may permit the educational program to continue to participate in the program under this part.

''(6) NOTICE TO STUDENTS.—

''(A) IN GENERAL.—If an educational program of an institution of higher education subject to this subsection does not meet the cohort median earning requirements, as described in paragraph (2), for one year during the applicable covered period but has not yet failed to meet such requirements for 2 years during such covered period, the institution shall promptly inform each student enrolled in the educational program of the eligible program's low cohort median earnings and that the educational program is at risk of losing its eligibility for funds under this part.

''(B) COVERED PERIOD.—In this paragraph, the term 'covered period' means the period of the 3 years immediately preceding the date of a determination made under paragraph (2).

''(7) REGAINING PROGRAMMATIC ELIGIBILITY.—The Secretary shall establish a process by which an institution of higher education that has an educational program that has lost eligibility under this subsection may, after a period of not less than 2 years of such program's ineligibility, apply to regain such eligibility, subject to the requirements established by the Secretary that further the purpose of this subsection.''.

Subtitle F—Regulatory Relief

SEC. 85001. DELAY OF RULE RELATING TO BORROWER DEFENSE TO REPAYMENT.

(a) DELAY.—Beginning on the date of enactment of this section, for loans that first originate before July 1, 2035, the provisions of subpart D of part 685 of title 34, Code of Federal Regulations (relating to borrower defense to repayment), as added or amended by the final regulations published by the Department of Education on November 1, 2022, and titled ''Institutional Eligibility Under the Higher Education Act of 1965, as Amended; Student Assistance General Provisions; Federal Perkins Loan Program; Federal Family Education Loan Program; and William D. Ford Federal Direct Loan Program'' (87 Fed. Reg. 65904) shall not be in effect.

(b) EFFECT.—Beginning on the date of enactment of this section, with respect to loans that first originate before July 1, 2035, any regulations relating to borrower defense to repayment that took effect on July 1, 2020, are restored and revived as such regulations were in effect on such date.

SEC. 85002. DELAY OF RULE RELATING TO CLOSED SCHOOL DISCHARGES.

(a) DELAY.—Beginning on the date of enactment of this section, for loans that first originate before July 1, 2035, the provisions of sections 674.33(g), 682.402(d), and 685.214 of title 34, Code of Federal Regulations (relating to closed school discharges), as added or amended by the final regulations published by the Department of Education on November 1, 2022, and titled ''Institutional Eligibility Under the Higher Education Act of 1965, as Amended; Student Assistance General Provisions; Federal Perkins Loan Program; Federal Family Education Loan Program; and William D. Ford Federal Direct Loan Program'' (87 Fed. Reg. 65904), shall not be in effect.

(b) EFFECT.—Beginning on the date of enactment of this section, with respect to loans that first originate before July 1, 2035, the portions of the Code of Federal Regulations described in subsection (a) and amended by the final regulations described in subsection (a) shall be in effect as if the amendments made by such final regulations had not been made.

Subtitle G—Garden of Heroes

SEC. 86001. GARDEN OF HEROES.

In addition to amounts otherwise available, there are appropriated to the National Endowment for the Humanities for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available through fiscal year 2028, $40,000,000 for the procurement of statues as described in Executive Order 13934 (85 Fed. Reg. 41165; relating to building and rebuilding monuments to American heroes), Executive Order 13978 (86 Fed. Reg. 6809; relating to building the National Garden of American Heroes), and Executive Order 14189 (90 Fed. Reg. 8849; relating to celebrating America's birthday).

Subtitle H—Office of Refugee Resettlement

SEC. 87001. POTENTIAL SPONSOR VETTING FOR UNACCOMPANIED ALIEN CHILDREN APPROPRIATION.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Office of Refugee Resettlement for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $300,000,000, to remain available until September 30, 2028, for the purposes described in subsection (b).

(b) USE OF FUNDS.—The funds made available under subsection (a) may only be used for the Office of Refugee Resettlement to support costs associated with—

(1) background checks on potential sponsors, which shall include—

(A) the name of the potential sponsor and of all adult residents of the potential sponsor's household;

(B) the social security number or tax payer identification number of the potential sponsor and of all adult residents of the potential sponsor's household;

(C) the date of birth of the potential sponsor and of all adult residents of the potential sponsor's household;

(D) the validated location of the residence at which the unaccompanied alien child will be placed;

(E) an in-person or virtual interview with, and suitability study concerning, the potential sponsor and all adult residents of the potential sponsor's household;

(F) contact information for the potential sponsor and for all adult residents of the potential sponsor's household; and

(G) the results of all background and criminal records checks for the potential sponsor and for all adult residents of the potential sponsor's household, which shall include, at a minimum, an investigation of the public records sex offender registry, a public records background check, and a national criminal history check based on fingerprints;

(2) home studies of potential sponsors of unaccompanied alien children;

(3) determining whether an unaccompanied alien child poses a danger to self or others by conducting an examination of the unaccompanied alien child for gang-related tattoos and other gang-related markings and covering such tattoos or markings while the child is in the care of the Office of Refugee Resettlement;

(4) data systems improvement and sharing that supports the health, safety, and well being of unaccompanied alien children by determining the appropriateness of potential sponsors of unaccompanied alien children and of adults residing in the household of the potential sponsor and by assisting with the identification and investigation of child labor exploitation and child trafficking; and

(5) coordinating and communicating with State child welfare agencies regarding the placement of unaccompanied alien children in such States by the Office of Refugee Resettlement.

(c) DEFINITIONS.—In this section:

(1) POTENTIAL SPONSOR.—The term ''potential sponsor'' means an individual or entity who applies for the custody of an unaccompanied alien child.

(2) UNACCOMPANIED ALIEN CHILD.—The term ''unaccompanied alien child'' has the meaning given such term in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C. 279(g)).

TITLE IX—COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Subtitle A—Homeland Security Provisions

SEC. 90001. BORDER INFRASTRUCTURE AND WALL SYSTEM.

In addition to amounts otherwise available, there is appropriated to the Commissioner of U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $46,550,000,000 for necessary expenses relating to the following elements of the border infrastructure and wall system:

(1) Construction, installation, or improvement of new or replacement primary, waterborne, and secondary barriers.

(2) Access roads.

(3) Barrier system attributes, including cameras, lights, sensors, and other detection technology.

(4) Any work necessary to prepare the ground at or near the border to allow U.S. Customs and Border Protection to conduct its operations, including the construction and maintenance of the barrier system.

SEC. 90002. U.S. CUSTOMS AND BORDER PROTECTION PERSONNEL, FLEET VEHICLES, AND FACILITIES.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Commissioner of U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, the following:

(1) PERSONNEL.—$4,100,000,000, to remain available until September 30, 2029, to hire and train additional Border Patrol agents, Office of Field Operations officers, Air and Marine agents, rehired annuitants, and U.S. Customs and Border Protection field support personnel.

(2) RETENTION, HIRING, AND PERFORMANCE BONUSES.—$2,052,630,000, to remain available until September 30, 2029, to provide recruitment bonuses, performance awards, or annual retention bonuses to eligible Border Patrol agents, Office of Field Operations officers, and Air and Marine agents.

(3) VEHICLES.—$855,000,000, to remain available until September 30, 2029, for the repair of existing patrol units and the lease or acquisition of additional patrol units.

(4) FACILITIES.—$5,000,000,000 for necessary expenses relating to lease, acquisition, construction, design, or improvement of facilities and checkpoints owned, leased, or operated by U.S. Customs and Border Protection.

(b) RESTRICTION.—None of the funds made available by subsection (a) may be used to recruit, hire, or train personnel for the duties of processing coordinators after October 31, 2028.

SEC. 90003. DETENTION CAPACITY.

(a) IN GENERAL.—In addition to any amounts otherwise appropriated, there is appropriated to U.S. Immigration and Customs Enforcement for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $45,000,000,000, for single adult alien detention capacity and family residential center capacity.

(b) DURATION AND STANDARDS.—Aliens may be detained at family residential centers, as described in subsection (a), pending a decision, under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), on whether the aliens are to be removed from the United States and, if such aliens are ordered removed from the United States, until such aliens are removed. The detention standards for the single adult detention capacity described in subsection (a) shall be set in the discretion of the Secretary of Homeland Security, consistent with applicable law.

(c) DEFINITION OF FAMILY RESIDENTIAL CENTER.—In this section, the term ''family residential center'' means a facility used by the Department of Homeland Security to detain family units of aliens (including alien children who are not unaccompanied alien children (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C. 279(g)))) who are encountered or apprehended by the Department of Homeland Security.

SEC. 90004. BORDER SECURITY, TECHNOLOGY, AND SCREENING.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Commissioner of U.S. Customs and Border Protection for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, $6,168,000,000 for the following:

(1) Procurement and integration of new nonintrusive inspection equipment and associated civil works, including artificial intelligence, machine learning, and other innovative technologies, as well as other mission support, to combat the entry or exit of illicit narcotics at ports of entry and along the southwest, northern, and maritime borders.

(2) Air and Marine operations' upgrading and procurement of new platforms for rapid air and marine response capabilities.

(3) Upgrades and procurement of border surveillance technologies along the southwest, northern, and maritime borders.

(4) Necessary expenses, including the deployment of technology, relating to the biometric entry and exit system under section 7208 of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C. 1365b).

(5) Screening persons entering or exiting the United States.

(6) Initial screenings of unaccompanied alien children (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C. 279(g))), consistent with the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (Public Law 110–457; 122 Stat. 5044).

(7) Enhancing border security by combating drug trafficking, including fentanyl and its precursor chemicals, at the southwest, northern, and maritime borders.

(8) Commemorating efforts and events related to border security.

(b) RESTRICTIONS.—None of the funds made available under subsection (a) may be used for the procurement or deployment of surveillance towers along the southwest border and northern border that have not been tested and accepted by U.S. Customs and Border Protection to deliver autonomous capabilities.

(c) DEFINITION OF AUTONOMOUS.—In this section, with respect to capabilities, the term ''autonomous'' means a system designed to apply artificial intelligence, machine learning, computer vision, or other algorithms to accurately detect, identify, classify, and track items of interest in real time such that the system can make operational adjustments without the active engagement of personnel or continuous human command or control.

SEC. 90005. STATE AND LOCAL ASSISTANCE.

(a) STATE HOMELAND SECURITY GRANT PROGRAMS.—

(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Administrator of the Federal Emergency Management Agency for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2029, to be administered under the State Homeland Security Grant Program authorized under section 2004 of the Homeland Security Act of 2002 (6 U.S.C. 605), to enhance State, local, and Tribal security through grants, contracts, cooperative agreements, and other activities—

(A) $500,000,000 for State and local capabilities to detect, identify, track, or monitor threats from unmanned aircraft systems (as such term is defined in section 44801 of title 49, United States Code), consistent with titles 18 and 49 of the United States Code;

(B) $625,000,000 for security and other costs related to the 2026 FIFA World Cup;

(C) $1,000,000,000 for security, planning, and other costs related to the 2028 Olympics; and

(D) $450,000,000 for the Operation Stonegarden Grant Program.

(2) TERMS AND CONDITIONS.—None of the funds made available under subparagraph (B) or (C) of paragraph (1) shall be subject to the requirements of section 2004(e)(1) or section 2008(a)(12) of the Homeland Security Act of 2002 (6 U.S.C. 605(e)(1), 609(a)(12)).

(b) STATE BORDER SECURITY REINFORCEMENT FUND.—

(1) ESTABLISHMENT.—There is established, in the Department of Homeland Security, a fund to be known as the ''State Border Security Reinforcement Fund.''

(2) PURPOSES.—The Secretary of Homeland Security shall use amounts appropriated or otherwise made available for the Fund for grants to eligible States and units of local government for any of the following purposes:

(A) Construction or installation of a border wall, border fencing or other barrier, or buoys along the southern border of the United States, which may include planning, procurement of materials, and personnel costs related to such construction or installation.

(B) Any work necessary to prepare the ground at or near land borders to allow construction and maintenance of a border wall or other barrier fencing.

(C) Detection and interdiction of illicit substances and aliens who have unlawfully entered the United States and have committed a crime under Federal, State, or local law, and transfer or referral of such aliens to the Department of Homeland Security as provided by law.

(D) Relocation of aliens who are unlawfully present in the United States from small population centers to other domestic locations.

(3) APPROPRIATION.—In addition to amounts otherwise available for the purposes described in paragraph (2), there is appropriated for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, to the Department of Homeland Security for the State Border Security Reinforcement Fund established by paragraph (1), $10,000,000,000, to remain available until September 30, 2034, for qualified expenses for such purposes.

(4) ELIGIBILITY.—The Secretary of Homeland Security may provide grants from the

fund established by paragraph (1) to State agencies and units of local governments for expenditures made for completed, ongoing, or new activities, in accordance with law, that occurred on or after January 20, 2021.

(5) APPLICATION.—Each State desiring to apply for a grant under this subsection shall submit an application to the Secretary containing such information in support of the application as the Secretary may require. The Secretary shall require that each State include in its application the purposes for which the State seeks the funds and a description of how the State plans to allocate the funds. The Secretary shall begin to accept applications not later than 90 days after the date of the enactment of this Act.

(6) TERMS AND CONDITIONS.—Nothing in this subsection shall authorize any State or local government to exercise immigration or border security authorities reserved exclusively to the Federal Government under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) or the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.). The Federal Emergency Management Agency may use not more than 1 percent of the funds made available under this subsection for the purpose of administering grants provided for in this section.

SEC. 90006. PRESIDENTIAL RESIDENCE PROTECTION.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Administrator of the Federal Emergency Management Agency for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $300,000,000, to remain available until September 30, 2029, for the reimbursement of extraordinary law enforcement personnel costs for protection activities directly and demonstrably associated with any residence of the President designated pursuant to section 3 or 4 of the Presidential Protection Assistance Act of 1976 (Public Law 94–524; 18 U.S.C. 3056 note) to be secured by the United States Secret Service.

(b) AVAILABILITY.—Funds appropriated under this section shall be available only for costs that a State or local agency—

(1) incurred or incurs on or after July 1, 2024;

(2) demonstrates to the Administrator of the Federal Emergency Management Agency as being—

(A) in excess of typical law enforcement operation costs;

(B) directly attributable to the provision of protection described in this section; and

(C) associated with a nongovernmental property designated pursuant to section 3 or 4 of the Presidential Protection Assistance Act of 1976 (Public Law 94–524; 18 U.S.C. 3056 note) to be secured by the United States Secret Service; and

(3) certifies to the Administrator as compensating protection activities requested by the United States Secret Service.

(c) TERMS AND CONDITIONS.—The Federal Emergency Management Agency may use not more than 3 percent of the funds made available under this section for the purpose of administering grants provided for in this section.

SEC. 90007. DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR BORDER SUPPORT.

In addition to amounts otherwise available, there are appropriated to the Secretary of Homeland Security for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $10,000,000,000, to remain available until September 30, 2029, for reimbursement of costs incurred in undertaking activities in support of the Department of Homeland Security's mission to safeguard the borders of the United States.

Subtitle B—Governmental Affairs Provisions

SEC. 90101. FEHB IMPROVEMENTS.

(a) SHORT TITLE.—This section may be cited as the ''FEHB Protection Act of 2025''.

(b) DEFINITIONS.—In this section:

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

(2) HEALTH BENEFITS PLAN; MEMBER OF FAMILY.—The terms ''health benefits plan'' and ''member of family'' have the meanings given those terms in section 8901 of title 5, United States Code.

(3) OPEN SEASON.—The term ''open season'' means an open season described in section 890.301(f) of title 5, Code of Federal Regulations, or any successor regulation.

(4) PROGRAM.—The term ''Program'' means the health insurance programs carried out under chapter 89 of title 5, United States Code, including the program carried out under section 8903c of that title.

(5) QUALIFYING LIFE EVENT.—The term ''qualifying life event'' has the meaning given the term in section 892.101 of title 5, Code of Federal Regulations, or any successor regulation.

(c) VERIFICATION REQUIREMENTS.—Not later than 1 year after the date of enactment of this Act, the Director shall issue regulations and implement a process to verify—

(1) the veracity of any qualifying life event through which an enrollee in the Program seeks to add a member of family with respect to the enrollee to a health benefits plan under the Program; and

(2) that, when an enrollee in the Program seeks to add a member of family with respect to the enrollee to the health benefits plan of the enrollee under the Program, including during any open season, the individual so added is a qualifying member of family with respect to the enrollee.

(d) FRAUD RISK ASSESSMENT.—In any fraud risk assessment conducted with respect to the Program on or after the date of enactment of this Act, the Director shall include an assessment of individuals who are enrolled in, or covered under, a health benefits plan under the Program even though those individuals are not eligible to be so enrolled or covered.

(e) FAMILY MEMBER ELIGIBILITY VERIFICATION AUDIT.—

(1) IN GENERAL.—During the 3-year period beginning on the date that is 1 year after the date of enactment of this Act, the Director shall carry out a comprehensive audit regarding members of family who are covered under an enrollment in a health benefits plan under the Program.

(2) CONTENTS.—With respect to the audit carried out under paragraph (1), the Director shall review marriage certificates, birth certificates, and other appropriate documents that are necessary to determine eligibility to enroll in a health benefits plan under the Program.

(f) DISENROLLMENT OR REMOVAL.—Not later than 180 days after the date of enactment of this Act, the Director shall develop a process by which any individual enrolled in, or covered under, a health benefits plan under the Program who is not eligible to be so enrolled or covered shall be disenrolled or removed from enrollment in, or coverage under, that health benefits plan.

(g) EARNED BENEFITS AND HEALTH CARE ADMINISTRATIVE SERVICES ASSOCIATED OVERSIGHT AND AUDIT FUNDING.—Section 8909 of title 5, United States Code, is amended—

(1) in subsection (a)(2), by inserting before the period at the end the following: '', except that the amounts required to be set aside under subsection (b)(2) shall not be subject to the limitations that may be specified annually by Congress''; and

(2) in subsection (b)—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following:

''(2) In fiscal year 2026, $66,000,000, to be derived from all contributions, and to remain available until the end of fiscal year 2035, for the Director of the Office to carry out subsections (c) through (f) of the FEHB Protection Act of 2025.''.

SEC. 90102. PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE.

(a) PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE FUNDING AVAILABILITY.—In addition to amounts otherwise available, there is appropriated for fiscal year 2026, out of any money in the Treasury not otherwise appropriated, $88,000,000, to remain available until expended, for the Pandemic Response Accountability Committee to support oversight of the Coronavirus response and of funds provided in this Act or any other Act pertaining to the Coronavirus pandemic.

(b) CARES ACT.—Section 15010 of the CARES Act (Public Law 116–136; 134 Stat. 533) is amended—

(1) in subsection (a)(6)—

(A) in subparagraph (E), by striking ''or'' at the end;

(B) in subparagraph (F), by striking ''and'' at the end and inserting ''or''; and

(C) by adding at the end the following:

''(G) the Act titled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14'; and''; and

(2) in subsection (k), by striking ''2025'' and inserting ''2034''.

SEC. 90103. APPROPRIATION FOR THE OFFICE OF MANAGEMENT AND BUDGET.

In addition to amounts otherwise available, there is appropriated to the Office of Management and Budget for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $100,000,000, to remain available until September 30, 2029, for purposes of finding budget and accounting efficiencies in the executive branch.

TITLE X—COMMITTEE ON THE JUDICIARY

Subtitle A—Immigration and Law Enforcement Matters

PART I—IMMIGRATION FEES

SEC. 100001. APPLICABILITY OF THE IMMIGRATION LAWS.

(a) APPLICABILITY.—The fees under this subtitle shall apply to aliens in the circumstances described in this subtitle.

(b) TERMS.—The terms used under this subtitle shall have the meanings given such terms in section 101 of the Immigration and Nationality Act (8 U.S.C. 1101).

(c) REFERENCES TO IMMIGRATION AND NATIONALITY ACT.—Except as otherwise expressly provided, any reference in this subtitle to a section or other provision shall be considered to be to a section or other provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

SEC. 100002. ASYLUM FEE.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security or the Attorney General, as applicable, shall require the payment of a fee, equal to the amount specified in this section, by any alien who files an application for asylum under section 208 (8 U.S.C. 1158) at the time such application is filed.

(b) INITIAL AMOUNT.—During fiscal year 2025, the amount specified in this section shall be the greater of—

(1) $100; or

(2) such amount as the Secretary or the Attorney General, as applicable, may establish, by rule.

(c) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(1) the amount of the fee required under this section for the most recently concluded fiscal year; and

(2) the product resulting from the multiplication of the amount referred to in paragraph (1) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(d) DISPOSITION OF ASYLUM FEE PROCEEDS.—During each fiscal year—

(1) 50 percent of the fees received from aliens filing applications with the Attorney General—

(A) shall be credited to the Executive Office for Immigration Review; and

(B) may be retained and expended without further appropriation;

(2) 50 percent of fees received from aliens filing applications with the Secretary of Homeland Security—

(A) shall be credited to U.S. Citizenship and Immigration Services;

(B) shall be deposited into the Immigration Examinations Fee Account established under section 286(m) (8 U.S.C. 1356(m)); and

(C) may be retained and expended without further appropriation; and

(3) any amounts received in fees required under this section that were not credited to the Executive Office for Immigration Review pursuant to paragraph (1) or to U.S. Citizenship and Immigration Services pursuant to paragraph (2) shall be deposited into the general fund of the Treasury.

(e) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100003. EMPLOYMENT AUTHORIZATION DOCUMENT FEES.

(a) ASYLUM APPLICANTS.—

(1) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this subsection, by any alien who files an initial application for employment authorization under section 208(d)(2) (8 U.S.C. 1158(d)(2)) at the time such initial employment authorization application is filed.

(2) INITIAL AMOUNT.—During fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $550; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(3) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this section for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(4) DISPOSITION OF EMPLOYMENT AUTHORIZATION DOCUMENT FEES.—During each fiscal year—

(A) 25 percent of the fees collected pursuant to this subsection—

(i) shall be credited to U.S. Citizenship and Immigration Services;

(ii) shall be deposited into the Immigration Examinations Fee Account established under section 286(m) (8 U.S.C. 1356(m)); and

(iii) may be retained and expended by U.S. Citizenship and Immigration Services without further appropriation, provided that not less than 50 percent is used to detect and prevent immigration benefit fraud; and

(B) any amounts collected pursuant to this subsection that are not credited to U.S. Citizenship and Immigration Services pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(5) NO FEE WAIVER.—Fees required to be paid under this subsection shall not be waived or reduced.

(b) PAROLEES.—

(1) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this subsection, by any alien paroled into the United States for any initial application for employment authorization at the time such initial application is filed. Each initial employment authorization shall be valid for a period of 1 year or for the duration of the alien's parole, whichever is shorter.

(2) INITIAL AMOUNT.—During fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $550; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(3) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this subsection shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(4) DISPOSITION OF PAROLEE EMPLOYMENT AUTHORIZATION APPLICATION FEES.—All of the fees collected pursuant to this subsection shall be deposited into the general fund of the Treasury.

(5) NO FEE WAIVER.—Fees required to be paid under this subsection shall not be waived or reduced.

(c) TEMPORARY PROTECTED STATUS.—

(1) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this subsection, by any alien who files an initial application for employment authorization under section 244(a)(1)(B) (8 U.S.C. 1254a(a)(1)(B)) at the time such initial application is filed. Each initial employment authorization shall be valid for a period of 1 year, or for the duration of the alien's temporary protected status, whichever is shorter.

(2) INITIAL AMOUNT.—During fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $550; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(3) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this subsection shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(4) DISPOSITION OF EMPLOYMENT AUTHORIZATION APPLICATION FEES COLLECTED FROM ALIENS GRANTED TEMPORARY PROTECTED STATUS.—All of the fees collected pursuant to this subsection shall be deposited into the general fund of the Treasury.

(5) NO FEE WAIVER.—Fees required to be paid under this subsection shall not be waived or reduced.

SEC. 100004. IMMIGRATION PAROLE FEE.

(a) IN GENERAL.—Except as provided under subsection (b), the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this section and in addition to any other fee authorized by law, by any alien who is paroled into the United States.

(b) EXCEPTIONS.—An alien shall not be subject to the fee otherwise required under subsection (a) if the alien establishes, to the satisfaction of the Secretary of Homeland Security, on an individual, case-by-case basis, that the alien is being paroled because—

(1)(A) the alien has a medical emergency; and

(B)(i) the alien cannot obtain necessary treatment in the foreign state in which the alien is residing; or

(ii) the medical emergency is life-threatening and there is insufficient time for the alien to be admitted to the United States through the normal visa process;

(2)(A) the alien is the parent or legal guardian of an alien described in paragraph (1); and

(B) the alien described in paragraph (1) is a minor;

(3)(A) the alien is needed in the United States to donate an organ or other tissue for transplant; and

(B) there is insufficient time for the alien to be admitted to the United States through the normal visa process;

(4)(A) the alien has a close family member in the United States whose death is imminent; and

(B) the alien could not arrive in the United States in time to see such family member alive if the alien were to be admitted to the United States through the normal visa process;

(5)(A) the alien is seeking to attend the funeral of a close family member; and

(B) the alien could not arrive in the United States in time to attend such funeral if the alien were to be admitted to the United States through the normal visa process;

(6) the alien is an adopted child—

(A) who has an urgent medical condition;

(B) who is in the legal custody of the petitioner for a final adoption-related visa; and

(C) whose medical treatment is required before the expected award of a final adoption-related visa;

(7) the alien—

(A) is a lawful applicant for adjustment of status under section 245 (8 U.S.C. 1255); and

(B) is returning to the United States after temporary travel abroad;

(8) the alien—

(A) has been returned to a contiguous country pursuant to section 235(b)(2)(C) (8 U.S.C. 1225(b)(2)(C)); and

(B) is being paroled into the United States to allow the alien to attend the alien's immigration hearing;

(9) the alien has been granted the status of Cuban and Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 8 U.S.C. 1522 note); or

(10) the Secretary of Homeland Security determines that a significant public benefit

has resulted or will result from the parole of an alien—

(A) who has assisted or will assist the United States Government in a law enforcement matter;

(B) whose presence is required by the United States Government in furtherance of such law enforcement matter; and

(C)(i) who is inadmissible or does not satisfy the eligibility requirements for admission as a nonimmigrant; or

(ii) for which there is insufficient time for the alien to be admitted to the United States through the normal visa process.

(c) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(1) $1,000; or

(2) such amount as the Secretary of Homeland Security may establish, by rule.

(d) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(1) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(2) the product resulting from the multiplication of the amount referred to in paragraph (1) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(e) DISPOSITION OF FEES COLLECTED FROM ALIENS GRANTED PAROLE.—All of the fees collected pursuant to this section shall be deposited into the general fund of the Treasury.

(f) NO FEE WAIVER.—Except as provided in subsection (b), fees required to be paid under this section shall not be waived or reduced.

SEC. 100005. SPECIAL IMMIGRANT JUVENILE FEE.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this section, by any alien, parent, or legal guardian of an alien applying for special immigrant juvenile status under section 101(a)(27)(J) (8 U.S.C. 1101(a)(27)(J)).

(b) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(1) $250; or

(2) such amount as the Secretary of Homeland Security may establish, by rule.

(c) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(1) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(2) the product resulting from the multiplication of the amount referred to in paragraph (1) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(d) DISPOSITION OF SPECIAL IMMIGRANT JUVENILE FEES.—All of the fees collected pursuant to this section shall be deposited into the general fund of the Treasury.

SEC. 100006. TEMPORARY PROTECTED STATUS FEE.

Section 244(c)(1)(B) of the Immigration and Nationality Act (8 U.S.C. 1254a(c)(1)(B)) is amended—

(1) by striking ''The Attorney General'' and inserting the following:

''(i) IN GENERAL.—The Attorney General'';

(2) in clause (i), as redesignated, by striking ''$50'' and inserting ''$500, subject to the adjustments required under clause (ii)''; and

(3) by adding at the end the following:

''(ii) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the maximum amount of the fee authorized under clause (i) shall be equal to the sum of—

''(I) the maximum amount of the fee authorized under this subparagraph for the most recently concluded fiscal year; and

''(II) the product resulting from the multiplication of the amount referred to in subclause (I) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

''(iii) DISPOSITION OF TEMPORARY PROTECTED STATUS FEES.—All of the fees collected pursuant to this subparagraph shall be deposited into the general fund of the Treasury.

''(iv) NO FEE WAIVER.—Fees required to be paid under this subparagraph shall not be waived or reduced.''.

SEC. 100007. VISA INTEGRITY FEE.

(a) VISA INTEGRITY FEE.—

(1) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in this subsection, by any alien issued a nonimmigrant visa at the time of such issuance.

(2) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(A) $250; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(3) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded down to the nearest dollar.

(4) DISPOSITION OF VISA INTEGRITY FEES.—All of the fees collected pursuant to this section that are not reimbursed pursuant to subsection (b) shall be deposited into the general fund of the Treasury.

(5) NO FEE WAIVER.—Fees required to be paid under this subsection shall not be waived or reduced.

(b) FEE REIMBURSEMENT.—The Secretary of Homeland Security may provide a reimbursement to an alien of the fee required under subsection (a) for the issuance of a nonimmigrant visa after the expiration of such nonimmigrant visa's period of validity if such alien demonstrates that he or she—

(1) after admission to the United States pursuant to such nonimmigrant visa, complied with all conditions of such nonimmigrant visa, including the condition that an alien shall not accept unauthorized employment; and

(2)(A) has not sought to extend his or her period of admission during such period of validity and departed the United States not later than 5 days after the last day of such period; or

(B) during such period of validity, was granted an extension of such nonimmigrant status or an adjustment to the status of a lawful permanent resident.

SEC. 100008. FORM I–94 FEE.

(a) FEE AUTHORIZED.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in subsection (b), by any alien who submits an application for a Form I–94 Arrival/Departure Record.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(A) $24; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded down to the nearest dollar.

(c) DISPOSITION OF FORM I–94 FEES.—During each fiscal year—

(1) 20 percent of the fees collected pursuant to this section—

(A) shall be deposited into the Land Border Inspection Fee Account in accordance with section 286(q)(2) (8 U.S.C. 1356(q)(2)); and

(B) shall be made available to U.S. Customs and Border Protection to retain and spend without further appropriation for the purpose of processing Form I–94; and

(2) any amounts not deposited into the Land Border Inspection Fee Account pursuant to paragraph (1)(A) shall be deposited in the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100009. ANNUAL ASYLUM FEE.

(a) FEE AUTHORIZED.—In addition to any other fee authorized by law, for each calendar year that an alien's application for asylum remains pending, the Secretary of Homeland Security or the Attorney General, as applicable, shall require the payment of a fee, equal to the amount specified in subsection (b), by such alien.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(A) $100; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded down to the nearest dollar.

(c) DISPOSITION OF ANNUAL ASYLUM FEES.—All of the fees collected pursuant to this section shall be deposited into the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100010. FEE RELATING TO RENEWAL AND EXTENSION OF EMPLOYMENT AUTHORIZATION FOR PAROLEES.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in subsection (b), for any parolee who seeks a renewal or extension of employment authorization based on a grant of parole. The employment authorization for each alien paroled into the United States, or any renewal or extension of such parole, shall be valid for a period of 1 year or for the duration of the alien's parole, whichever is shorter.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $275; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(c) DISPOSITION OF FEES RELATING TO RENEWAL AND EXTENSION OF EMPLOYMENT AUTHORIZATION FOR PAROLEES.—During each fiscal year—

(1) 25 percent of the fees collected pursuant to this section—

(A) shall be credited to U.S. Citizenship and Immigration Services;

(B) shall be deposited into the Immigration Examinations Fee Account established under section 286(m) (8 U.S.C. 1356(m)); and

(C) may be retained and expended by U.S. Citizenship and Immigration Services without further appropriation; and

(2) any amounts collected pursuant to this section that are not credited to U.S. Citizenship and Immigration Services pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100011. FEE RELATING TO RENEWAL OR EXTENSION OF EMPLOYMENT AUTHORIZATION FOR ASYLUM APPLICANTS.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee of not less than $275 by any alien who has applied for asylum for each renewal or extension of employment authorization based on such application.

(b) TERMINATION.—Each initial employment authorization, or renewal or extension of such authorization, shall terminate—

(1) immediately following the denial of an asylum application by an asylum officer, unless the case is referred to an immigration judge;

(2) on the date that is 30 days after the date on which an immigration judge denies an asylum application, unless the alien makes a timely appeal to the Board of Immigration Appeals; or

(3) immediately following the denial by the Board of Immigration Appeals of an appeal of a denial of an asylum application.

(c) DISPOSITION OF FEES RELATING TO RENEWAL AND EXTENSION OF EMPLOYMENT AUTHORIZATION FOR ASYLUM APPLICANTS.—During each fiscal year—

(1) 25 percent of the fees collected pursuant to this section—

(A) shall be credited to U.S. Citizenship and Immigration Services;

(B) shall be deposited into the Immigration Examinations Fee Account established under section 286(m) (8 U.S.C. 1356(m)); and

(C) may be retained and expended by U.S. Citizenship and Immigration Services without further appropriation; and

(2) any amounts collected pursuant to this section that are not credited to U.S. Citizenship and Immigration Services pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100012. FEE RELATING TO RENEWAL AND EXTENSION OF EMPLOYMENT AUTHORIZATION FOR ALIENS GRANTED TEMPORARY PROTECTED STATUS.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in subsection (b), by any alien at the time such alien seeks a renewal or extension of employment authorization based on a grant of temporary protected status. Any employment authorization for an alien granted temporary protected status, or any renewal or extension of such employment authorization, shall be valid for a period of 1 year or for the duration of the designation of temporary protected status, whichever is shorter.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $275; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(c) DISPOSITION OF FEES RELATING TO RENEWAL AND EXTENSION OF EMPLOYMENT AUTHORIZATION FOR TEMPORARY PROTECTED STATUS APPLICANTS.—During each fiscal year—

(1) 25 percent of the fees collected pursuant to this section—

(A) shall be credited to U.S. Citizenship and Immigration Services;

(B) shall be deposited into the Immigration Examinations Fee Account established under section 286(m) (8 U.S.C. 1356(m)); and

(C) may be retained and expended by U.S. Citizenship and Immigration Services without further appropriation; and

(2) any amounts collected pursuant to this section that are not credited to U.S. Citizenship and Immigration Services pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100013. FEES RELATING TO APPLICATIONS FOR ADJUSTMENT OF STATUS.

(a) FEE FOR FILING AN APPLICATION TO ADJUST STATUS TO THAT OF A LAWFUL PERMANENT RESIDENT.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien who files an application with an immigration court to adjust the alien's status to that of a lawful permanent resident, or whose application to adjust his or her status to that of a lawful permanent resident is adjudicated in immigration court. Such fee shall be paid at the time such application is filed or before such application is adjudicated by the immigration court.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $1,500; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF ADJUSTMENT OF STATUS APPLICATION FEES.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(b) FEE FOR FILING APPLICATION FOR WAIVER OF GROUNDS OF INADMISSIBILITY.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an application with an immigration court for a waiver of a ground of inadmissibility, or before such application is adjudicated by the immigration court.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $1,050; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in

clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF WAIVER OF GROUND OF ADMISSIBILITY APPLICATION FEES.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(c) FEE FOR FILING AN APPLICATION FOR TEMPORARY PROTECTED STATUS.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an application with an immigration court for temporary protected status, or before such application is adjudicated by the immigration court.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $500; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF TEMPORARY PROTECTED STATUS APPLICATION FEES.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(d) FEE FOR FILING AN APPEAL OF A DECISION OF AN IMMIGRATION JUDGE.—

(1) IN GENERAL.—Except as provided in paragraph (3), the Attorney General shall require, in addition to any other fees authorized by law, the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an appeal from a decision of an immigration judge.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $900; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) EXCEPTION.—The fee required under paragraph (1) shall not apply to the appeal of a bond decision.

(4) DISPOSITION OF FEES FOR APPEALING IMMIGRATION JUDGE DECISIONS.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(e) FEE FOR FILING AN APPEAL FROM A DECISION OF AN OFFICER OF THE DEPARTMENT OF HOMELAND SECURITY.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an appeal of a decision of an officer of the Department of Homeland Security.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $900; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF FEES FOR APPEALING DEPARTMENT OF HOMELAND SECURITY OFFICER DECISIONS.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(f) FEE FOR FILING AN APPEAL FROM A DECISION OF AN ADJUDICATING OFFICIAL IN A PRACTITIONER DISCIPLINARY CASE.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any practitioner at the time such practitioner files an appeal from a decision of an adjudicating official in a practitioner disciplinary case.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $1,325; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF FEES FOR APPEALING DEPARTMENT OF HOMELAND SECURITY OFFICER DECISIONS.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(g) FEE FOR FILING A MOTION TO REOPEN OR A MOTION TO RECONSIDER.—

(1) IN GENERAL.—Except as provided in paragraph (3), in addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files a motion to reopen or motion to reconsider a decision of an immigration judge or the Board of Immigration Appeals.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $900; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) EXCEPTIONS.—The fee required under paragraph (1) shall not apply to—

(A) a motion to reopen a removal order entered in absentia if such motion is filed in accordance with section 240(b)(5)(C)(ii) (8 U.S.C. 1229a(b)(5)(C)(ii)); or

(B) a motion to reopen a deportation order entered in absentia if such motion is filed in accordance with section 242B(c)(3)(B) prior to April 1, 1997.

(4) DISPOSITION OF FEES FOR FILING CERTAIN MOTIONS.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(h) FEE FOR FILING APPLICATION FOR SUSPENSION OF DEPORTATION.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an application with an immigration court for suspension of deportation.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $600; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF FEES FOR FILING APPLICATION FOR SUSPENSION OF DEPORTATION.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(i) FEE FOR FILING APPLICATION FOR CANCELLATION OF REMOVAL FOR CERTAIN PERMANENT RESIDENTS.—

(1) IN GENERAL.—In addition to any other fees authorized by law, the Attorney General shall require the payment of a fee, equal to the amount specified in paragraph (2), by any alien at the time such alien files an application with an immigration court an application for cancellation of removal for an alien who is a lawful permanent resident.

(2) AMOUNT SPECIFIED.—

(A) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this paragraph shall be the greater of—

(i) $600; or

(ii) such amount as the Attorney General may establish, by rule.

(B) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this paragraph shall be equal to the sum of—

(i) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(ii) the product resulting from the multiplication of the amount referred to in clause (i) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(3) DISPOSITION OF FEES FOR FILING APPLICATION FOR CANCELLATION OF REMOVAL.—During each fiscal year—

(A) not more than 25 percent of the fees collected pursuant to this subsection—

(i) shall be derived by transfer from the Immigration Examinations Fee Account under section 286(n) (8 U.S.C. 1356(n)); and

(ii) shall be credited to the Executive Office for Immigration Review to retain and spend without further appropriation; and

(B) any amounts not derived by transfer and credited pursuant to subparagraph (A) shall be deposited into the general fund of the Treasury.

(k) LIMITATION ON USE OF FUNDS.—No fees collected pursuant to this section may be expended by the Executive Office for Immigration Review for the Legal Orientation Program, or for any successor program.

SEC. 100014. ELECTRONIC SYSTEM FOR TRAVEL AUTHORIZATION FEE.

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

(1) in clause (i)—

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

(B) in subclause (II)—

(i) by inserting ''of not less than $10'' after ''an amount''; and

(ii) by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(III) not less than $13 per travel authorization.'';

(2) in clause (iii), by striking ''October 31, 2028'' and inserting ''October 31, 2034''; and

(3) by adding at the end the following:

''(iv) SUBSEQUENT ADJUSTMENT.—During fiscal year 2026 and each subsequent fiscal year, the amount specified in clause (i)(II) for a fiscal year shall be equal to the sum of—

''(I) the amount of the fee required under this subparagraph during the most recently concluded fiscal year; and

''(II) the product of the amount referred to in subclause (I) multiplied by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year.''.

SEC. 100015. ELECTRONIC VISA UPDATE SYSTEM FEE.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, in the amount specified in subsection (b), by any alien subject to the Electronic Visa Update System at the time of such alien's enrollment in such system.

(b) AMOUNT SPECIFIED.—

(1) IN GENERAL.—For fiscal year 2025, the amount specified in this subsection shall be the greater of—

(A) $30; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026 and each subsequent fiscal year, the amount specified in this subsection shall be equal to the sum of—

(A) the amount of the fee required under this subsection during the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $0.25.

(c) DISPOSITION OF ELECTRONIC VISA UPDATE SYSTEM FEES.—

(1) IN GENERAL.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following:

''(w) CBP ELECTRONIC VISA UPDATE SYSTEM ACCOUNT.—

''(1) ESTABLISHMENT.—There is established in the general fund of the Treasury a separate account, which shall be known as the 'CBP Electronic Visa Update System Account' (referred to in this subsection as the 'Account').

''(2) DEPOSITS.—There shall be deposited into the Account an amount equal to the difference between—

''(A) all of the fees received pursuant to section 100015 of the Act entitled 'An Act to

provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress); and

''(B) an amount equal to $5 multiplied by the number of payments collected pursuant to such section.

''(3) APPROPRIATION.—Amounts deposited in the Account—

''(A) are hereby appropriated to make payments and offset program costs in accordance with section 100015 of the Act entitled 'An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14' (119th Congress), without further appropriation; and

''(B) shall remain available until expended for any U.S. Customs and Border Protection costs associated with administering the CBP Electronic Visa Update System.''.

(2) REMAINING FEES.—Of the fees collected pursuant to this section, an amount equal to $5 multiplied by the number of payments collected pursuant to this section shall be deposited to the general fund of the Treasury.

(d) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100016. FEE FOR ALIENS ORDERED REMOVED IN ABSENTIA.

(a) IN GENERAL.—As partial reimbursement for the cost of arresting an alien described in this section, the Secretary of Homeland Security, except as provided in subsection (c), shall require the payment of a fee, equal to the amount specified in subsection (b) on any alien who—

(1) is ordered removed in absentia pursuant to section 240(b)(5) (8 U.S.C. 1229a(b)(5)); and

(2) is subsequently arrested by U.S. Immigration and Customs Enforcement.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(A) $5,000; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(c) EXCEPTION.—The fee described in this section shall not apply to any alien who was ordered removed in absentia if such order was rescinded pursuant to section 240(b)(5)(C) (8 U.S.C. 1229a(b)(5)(C)).

(d) DISPOSITION OF REMOVAL IN ABSENTIA FEES.—During each fiscal year—

(1) 50 percent of the fees collected pursuant to this section—

(A) shall be credited to U.S. Immigration and Customs Enforcement;

(B) shall be deposited into the Detention and Removal Office Fee Account; and

(C) may be retained and expended by U.S. Immigration and Customs Enforcement without further appropriation; and

(2) any amounts collected pursuant to this section that are not credited to U.S. Immigration and Customs Enforcement pursuant to paragraph (1) shall be deposited into the general fund of the Treasury.

(e) NO FEE WAIVER.—Fees required to be paid under this section shall not be waived or reduced.

SEC. 100017. INADMISSIBLE ALIEN APPREHENSION FEE.

(a) IN GENERAL.—In addition to any other fee authorized by law, the Secretary of Homeland Security shall require the payment of a fee, equal to the amount specified in subsection (b), by any inadmissible alien at the time such alien is apprehended between ports of entry.

(b) AMOUNT SPECIFIED.—

(1) INITIAL AMOUNT.—For fiscal year 2025, the amount specified in this section shall be the greater of—

(A) $5,000; or

(B) such amount as the Secretary of Homeland Security may establish, by rule.

(2) ANNUAL ADJUSTMENTS FOR INFLATION.—During fiscal year 2026, and during each subsequent fiscal year, the amount specified in this section shall be equal to the sum of—

(A) the amount of the fee required under this subsection for the most recently concluded fiscal year; and

(B) the product resulting from the multiplication of the amount referred to in subparagraph (A) by the percentage (if any) by which the Consumer Price Index for All Urban Consumers for the month of July preceding the date on which such adjustment takes effect exceeds the Consumer Price Index for All Urban Consumers for the same month of the preceding calendar year, rounded to the next lowest multiple of $10.

(c) DISPOSITION OF INADMISSIBLE ALIEN APPREHENSION FEES.—During each fiscal year—

(1) 50 percent of the fees collected pursuant to this section—

(A) shall be credited to U.S. Immigration and Customs Enforcement;

(B) shall be deposited into the Detention and Removal Office Fee Account; and

(C) may be retained and expended by U.S. Immigration and Customs Enforcement without further appropriation; and

(2) any amounts collected pursuant to this section that are not credited to U.S. Immigration and Customs Enforcement pursuant to paragraph (1) shall be deposited into the general fund of the Treasury.

(d) DISPOSITION OF INADMISSIBLE ALIEN APPREHENSION FEES.—All of the fees collected pursuant to this section shall be deposited into the general fund of the Treasury.

SEC. 100018. AMENDMENT TO AUTHORITY TO APPLY FOR ASYLUM.

Section 208(d)(3) (8 U.S.C. 1158(d)(3)) is amended—

(1) in the first sentence, by striking ''may'' and inserting ''shall'';

(2) by striking ''Such fees shall not exceed'' and all that follows and inserting the following: ''Nothing in this paragraph may be construed to limit the authority of the Attorney General to set additional adjudication and naturalization fees in accordance with section 286(m).''.

PART II—IMMIGRATION AND LAW ENFORCEMENT FUNDING

SEC. 100051. APPROPRIATION FOR THE DEPARTMENT OF HOMELAND SECURITY.

In addition to amounts otherwise available, there is appropriated to the Secretary of Homeland Security for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $2,055,000,000, to remain available through September 30, 2029, for the following purposes:

(1) IMMIGRATION AND ENFORCEMENT ACTIVITIES.—Hiring and training of additional U.S. Customs and Border Protection agents, and the necessary support staff, to carry out immigration enforcement activities.

(2) DEPARTURES AND REMOVALS.—Funding for transportation costs and related costs associated with the departure or removal of aliens.

(3) PERSONNEL ASSIGNMENTS.—Funding for the assignment of Department of Homeland Security employees and State officers to carry out immigration enforcement activities pursuant to sections 103(a) and 287(g) of the Immigration and Nationality Act (8 U.S.C. 1103(a) and 1357(g)).

(4) BACKGROUND CHECKS.—Hiring additional staff and investing the necessary resources to enhance screening and vetting of all aliens seeking entry into United States, consistent with section 212 of such Act (8 U.S.C. 1182), or intending to remain in the United States, consistent with section 237 of such Act (8 U.S.C. 1227).

(5) PROTECTING ALIEN CHILDREN FROM EXPLOITATION.—In instances of aliens and alien children entering the United States without a valid visa, funding is provided for the purposes of—

(A) collecting fingerprints, in accordance with section 262 of the Immigration and Nationality Act (8 U.S.C. 1302) and subsections (a)(3) and (b) of section 235 of such Act (8 U.S.C. 1225); and

(B) collecting DNA, in accordance with sections 235(d) and 287(b) of the Immigration and Nationality Act (8 U.S.C. 1225(d) and 1357(b)).

(6) TRANSPORTING AND RETURN OF ALIENS FROM CONTIGUOUS TERRITORY.—Transporting and facilitating the return, pursuant to section 235(b)(2)(C) of the Immigration and Nationality Act (8 U.S.C. 1225(b)(2)(C)), of aliens arriving from contiguous territory.

(7) STATE AND LOCAL PARTICIPATION.—Funding for State and local participation in homeland security efforts for purposes of—

(A) ending the presence of criminal gangs and criminal organizations throughout the United States;

(B) addressing crime and public safety threats;

(C) combating human smuggling and trafficking networks throughout the United States;

(D) supporting immigration enforcement activities; and

(E) providing reimbursement for State and local participation in such efforts.

(8) REMOVAL OF SPECIFIED UNACCOMPANIED ALIEN CHILDREN.—

(A) IN GENERAL.—Funding removal operations for specified unaccompanied alien children.

(B) USE OF FUNDS.—Amounts made available under this paragraph shall only be used for permitting a specified unaccompanied alien child to withdraw the application for admission of the child pursuant to section 235(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1225(a)(4)).

(C) DEFINITIONS.—In this paragraph:

(i) SPECIFIED UNACCOMPANIED ALIEN CHILD.—The term ''specified unaccompanied alien child'' means an unaccompanied alien child (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C. 279(g))) who the Secretary of Homeland Security determines on a case-by-case basis—

(I) has been found by an immigration officer at a land border or port of entry of the United States and is inadmissible under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.);

(II) has not been a victim of severe forms of trafficking in persons, and there is no credible evidence that such child is at risk of being trafficked upon return of the child to the child's country of nationality or country of last habitual residence; and

(III) does not have a fear of returning to the child's country of nationality or country of last habitual residence owing to a credible fear of persecution.

(ii) SEVERE FORMS OF TRAFFICKING IN PERSONS.—The term ''severe forms of trafficking in persons'' has the meaning given such term in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102).

(9) EXPEDITED REMOVAL OF CRIMINAL ALIENS.—Funding for the expedited removal of criminal aliens, in accordance with the provisions of section 235(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1225(b)(1)).

(10) REMOVAL OF CERTAIN CRIMINAL ALIENS WITHOUT FURTHER HEARINGS.—Funding for the removal of certain criminal aliens without further hearings, in accordance with the provisions of section 235(c) of the Immigration and Nationality Act (8 U.S.C. 1225(c)).

(11) CRIMINAL AND GANG CHECKS FOR UNACCOMPANIED ALIEN CHILDREN.—Funding for criminal and gang checks of unaccompanied alien children (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C. 279(g))) who are 12 years of age and older, including the examination of such unaccompanied alien children for gang-related tattoos and other gang-related markings.

(12) INFORMATION TECHNOLOGY.—Information technology investments to support immigration purposes, including improvements to fee and revenue collections.

SEC. 100052. APPROPRIATION FOR U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT.

In addition to amounts otherwise available, there is appropriated to the Secretary of Homeland Security for U.S. Immigration and Customs Enforcement for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $29,850,000,000, to remain available through September 30, 2029, for the following purposes:

(1) HIRING AND TRAINING.—Hiring and training additional U.S. Immigration and Customs Enforcement personnel, including officers, agents, investigators, and support staff, to carry out immigration enforcement activities and prioritizing and streamlining the hiring of retired U.S. Immigration and Customs Enforcement personnel.

(2) PERFORMANCE, RETENTION, AND SIGNING BONUSES.—

(A) IN GENERAL.—Providing performance, retention, and signing bonuses for qualified U.S. Immigration and Customs Enforcement personnel in accordance with this subsection.

(B) PERFORMANCE BONUSES.—The Director of U.S. Immigration and Customs Enforcement, at the Director's discretion, may provide performance bonuses to any U.S. Immigration and Customs Enforcement agent, officer, or attorney who demonstrates exemplary service.

(C) RETENTION BONUSES.—The Director of U.S. Immigration and Customs Enforcement may provide retention bonuses to any U.S. Immigration and Customs Enforcement agent, officer, or attorney who commits to 2 years of additional service with U.S. Immigration and Customs Enforcement to carry out immigration enforcement activities.

(D) SIGNING BONUSES.—The Director of U.S. Immigration and Customs Enforcement may provide a signing bonus to any U.S. Immigration and Customs Enforcement agent, officer, or attorney who—

(i) is hired on or after the date of the enactment of this Act; and

(ii) who commits to 5 years of service with U.S. Immigration and Customs Enforcement to carry out immigration enforcement activities.

(E) SERVICE AGREEMENT.—In providing a retention or signing bonus under this paragraph, the Director of U.S. Immigration and Customs Enforcement shall provide each qualifying individual with a written service agreement that includes—

(i) the commencement and termination dates of the required service period (or provisions for the determination of such dates);

(ii) the amount of the bonus; and

(iii) any other term or condition under which the bonus is payable, subject to the requirements of this paragraph, including—

(I) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed; and

(II) the effect of a termination described in subclause (I).

(3) RECRUITMENT, HIRING, AND ONBOARDING.—Facilitating the recruitment, hiring, and onboarding of additional U.S. Immigration and Customs Enforcement personnel to carry out immigration enforcement activities, including by—

(A) investing in information technology, recruitment, and marketing; and

(B) hiring staff necessary to carry out information technology, recruitment, and marketing activities.

(4) TRANSPORTATION.—Funding for transportation costs and related costs associated with alien departure or removal operations.

(5) INFORMATION TECHNOLOGY.—Funding for information technology investments to support enforcement and removal operations, including improvements to fee collections.

(6) FACILITY UPGRADES.—Funding for facility upgrades to support enforcement and removal operations.

(7) FLEET MODERNIZATION.—Funding for fleet modernization to support enforcement and removal operations.

(8) FAMILY UNITY.—Promoting family unity by—

(A) maintaining the care and custody, during the period in which a charge described in clause (i) is pending, in accordance with applicable laws, of an alien who—

(i) is charged only with a misdemeanor offense under section 275(a) of the Immigration and Nationality Act (8 U.S.C. 1325(a)); and

(ii) entered the United States with the alien's child who has not attained 18 years of age; and

(B) detaining such an alien with the alien's child.

(9) 287(g) AGREEMENTS.—Expanding, facilitating, and implementing agreements under section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)).

(10) VICTIMS OF IMMIGRATION CRIME ENGAGEMENT OFFICE.—Hiring and training additional staff to carry out the mission of the Victims of Immigration Crime Engagement Office and for providing nonfinancial assistance to the victims of crimes perpetrated by aliens who are present in the United States without authorization.

(11) OFFICE OF THE PRINCIPAL LEGAL ADVISOR.—Hiring additional attorneys and the necessary support staff within the Office of the Principal Legal Advisor to represent the Department of Homeland Security in immigration enforcement and removal proceedings.

SEC. 100053. APPROPRIATION FOR FEDERAL LAW ENFORCEMENT TRAINING CENTERS.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Homeland Security for the Federal Law Enforcement Training Centers for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $750,000,000, to remain available until September 30, 2029, for the purposes described in subsections (b) and (c).

(b) TRAINING.—Not less than $285,000,000 of the amounts available under subsection (a) shall be for supporting the training of newly hired Federal law enforcement personnel employed by the Department of Homeland Security and State and local law enforcement agencies operating in support of the Department of Homeland Security.

(c) FACILITIES.—Not more than $465,000,000 of the amounts available under subsection (a) shall be for procurement, construction and maintenance of, improvements to, training equipment for, and related expenses, of facilities of the Federal Law Enforcement Training Centers.

SEC. 100054. APPROPRIATION FOR THE DEPARTMENT OF JUSTICE.

In addition to amounts otherwise available, there is appropriated to the Attorney General for the Department of Justice for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $3,330,000,000, to remain available through September 30, 2029, for the following purposes:

(1) EXECUTIVE OFFICE FOR IMMIGRATION REVIEW.—

(A) IN GENERAL.—Hiring immigration judges and necessary support staff for the Executive Office for Immigration Review to address the backlog of petitions, cases, and removals.

(B) STAFFING LEVEL.—Effective November 1, 2028, the Executive Office for Immigration Review shall be comprised of not more than 800 immigration judges, along with the necessary support staff.

(2) COMBATING DRUG TRAFFICKING.—Funding efforts to combat drug trafficking (including trafficking of fentanyl and its precursor chemicals) and illegal drug use.

(3) PROSECUTION OF IMMIGRATION MATTERS.—Funding efforts to investigate and prosecute immigration matters, gang-related crimes involving aliens, child trafficking and smuggling involving aliens within the United States, unlawful voting by aliens, violations of the Alien Registration Act, 1940 (54 Stat., chapter 439), and violations of or fraud relating to title IV of the Personal Responsibility and Work Opportunity Act of 1996 (Public Law 104–193; 110 Stat. 2277), including hiring additional Department of Justice personnel to investigate and prosecute such matters.

(4) NONPARTY OR OTHER INJUNCTIVE RELIEF.—Hiring additional attorneys and necessary support staff for the purpose of continuing implementation of assignments by the Attorney General pursuant to sections 516, 517, and 518 of title 28, United States Code, to conduct litigation and attend to the interests of the United States in suits pending in a court of the United States or in a court of a State in suits seeking nonparty or other injunctive relief against the Federal Government.

(5) EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM AND OFFICE OF COMMUNITY ORIENTED POLICING.—

(A) IN GENERAL.—Increasing funding for the Edward Byrne Memorial Justice Assistance Grant Program and the Office of Community Oriented Policing for initiatives associated with—

(i) investigating and prosecuting violent crime;

(ii) criminal enforcement initiatives; and

(iii) immigration enforcement and removal efforts.

(B) LIMITATIONS.—No funds made available under this subsection shall be made available to community violence intervention and prevention initiative programs.

(C) ELIGIBILITY.—To be eligible to receive funds made available under this subsection, a State or local government shall be in full compliance, as determined by the Attorney General, with section 642 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1373).

(6) FISCALLY RESPONSIBLE LAWSUIT SETTLEMENTS.—Hiring additional attorneys and necessary support staff for the purpose of maximizing lawsuit settlements that require the payment of fines and penalties to the Treasury of the United States in lieu of providing for the payment to any person or entity other than the United States, other than a payment that provides restitution or otherwise directly remedies actual harm directly

and proximately caused by the party making the payment, or constitutes payment for services rendered in connection with the case.

(7) COMPENSATION FOR INCARCERATION OF CRIMINAL ALIENS.—

(A) IN GENERAL.—Providing compensation to a State or political subdivision of a State for the incarceration of criminal aliens.

(B) USE OF FUNDS.—The amounts made available under subparagraph (A) shall only be used to compensate a State or political subdivision of a State, as appropriate, with respect to the incarceration of an alien who—

(i) has been convicted of a felony or 2 or more misdemeanors; and

(ii)(I) entered the United States without inspection or at any time or place other than as designated by the Secretary of Homeland Security;

(II) was the subject of removal proceedings at the time the alien was taken into custody by the State or a political subdivision of the State; or

(III) was admitted as a nonimmigrant and, at the time the alien was taken into custody by the State or a political subdivision of the State, has failed to maintain the nonimmigrant status in which the alien was admitted, or to which it was changed, or to comply with the conditions of any such status.

(C) LIMITATION.—Amounts made available under this subsection shall be distributed to more than 1 State. The amounts made available under subparagraph (A) may not be used to compensate any State or political subdivision of a State if the State or political subdivision of the State prohibits or in any way restricts a Federal, State, or local government entity, official, or other personnel from doing any of the following:

(i) Complying with the immigration laws (as defined in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(17))).

(ii) Assisting or cooperating with Federal law enforcement entities, officials, or other personnel regarding the enforcement of the immigration laws.

(iii) Undertaking any of the following law enforcement activities as such activities relate to information regarding the citizenship or immigration status, lawful or unlawful, the inadmissibility or deportability, and the custody status, of any individual:

(I) Making inquiries to any individual to obtain such information regarding such individual or any other individuals.

(II) Notifying the Federal Government regarding the presence of individuals who are encountered by law enforcement officials or other personnel of a State or political subdivision of a State.

(III) Complying with requests for such information from Federal law enforcement entities, officials, or other personnel.

SEC. 100055. BRIDGING IMMIGRATION-RELATED DEFICITS EXPERIENCED NATIONWIDE REIMBURSEMENT FUND.

(a) ESTABLISHMENT.—There is established within the Department of Justice a fund, to be known as the ''Bridging Immigration-related Deficits Experienced Nationwide (BIDEN) Reimbursement Fund'' (referred to in this section as the ''Fund'').

(b) USE OF FUNDS.—The Attorney General shall use amounts appropriated or otherwise made available for the Fund for grants to eligible States, State agencies, and units of local government, pursuant to their existing statutory authorities, for any of the following purposes:

(1) Locating and apprehending aliens who have committed a crime under Federal, State, or local law, in addition to being unlawfully present in the United States.

(2) Collection and analysis of law enforcement investigative information within the United States to counter gang or other criminal activity.

(3) Investigating and prosecuting—

(A) crimes committed by aliens within the United States; and

(B) drug and human trafficking crimes committed within the United States.

(4) Court operations related to the prosecution of—

(A) crimes committed by aliens; and

(B) drug and human trafficking crimes.

(5) Temporary criminal detention of aliens.

(6) Transporting aliens described in paragraph (1) within the United States to locations related to the apprehension, detention, and prosecution of such aliens.

(7) Vehicle maintenance, logistics, transportation, and other support provided to law enforcement agencies by a State agency to enhance the ability to locate and apprehend aliens who have committed crimes under Federal, State, or local law, in addition to being unlawfully present in the United States.

(c) APPROPRIATION.—In addition to amounts otherwise available for the purposes described in subsection (b), there is appropriated to the Attorney General for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, not to exceed $3,500,000,000, to remain available until September 30, 2028, for the Fund for qualified and documented expenses that achieve any such purpose.

(d) GRANT ELIGIBILITY OF COMPLETED, ONGOING, OR NEW ACTIVITIES.—The Attorney General may provide grants under this section to State agencies and units of local government for expenditures made by State agencies or units of local government for completed, ongoing, or new activities determined to be eligible for such grant funding that occurred on or after January 20, 2021. Amounts made available under this section shall be distributed to more than 1 State.

SEC. 100056. APPROPRIATION FOR THE BUREAU OF PRISONS.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Director of the Bureau of Prisons for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $5,000,000,000, to remain available through September 30, 2029, for the purposes described in subsections (b) and (c).

(b) SALARIES AND BENEFITS.—Not less than $3,000,000,000 of the amounts made available under subsection (a) shall be for hiring and training of new employees, including correctional officers, medical professionals, and facilities and maintenance employees, the necessary support staff, and for additional funding for salaries and benefits for the current workforce of the Bureau of Prisons.

(c) FACILITIES.—Not more than $2,000,000,000 of the amounts made available under subsection (a) shall be for addressing maintenance and repairs to facilities maintained or operated by the Bureau of Prisons.

SEC. 100057. APPROPRIATION FOR THE UNITED STATES SECRET SERVICE.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Director of the United States Secret Service (referred to in this section as the ''Director'') for fiscal year 2025, out of any money in the Treasury not otherwise appropriated, $1,170,000,000, to remain available through September 30, 2029, for the purposes described in subsection (b).

(b) USE OF FUNDS.—Amounts made available under subsection (a) may only be used for—

(1) additional United States Secret Service resources, including personnel, training facilities, programming, and technology; and

(2) performance, retention, and signing bonuses for qualified United States Secret Service personnel in accordance with subsection (c).

(c) PERFORMANCE, RETENTION, AND SIGNING BONUSES.—

(1) PERFORMANCE BONUSES.—The Director, at the Director's discretion, may provide performance bonuses to any Secret Service agent, officer, or analyst who demonstrates exemplary service.

(2) RETENTION BONUSES.—The Director may provide retention bonuses to any Secret Service agent, officer, or analyst who commits to 2 years of additional service with the Secret Service.

(3) SIGNING BONUSES.—The Director may provide a signing bonus to any Secret Service agent, officer, or analyst who—

(A) is hired on or after the date of the enactment of this Act; and

(B) commits to 5 years of service with the United States Secret Service.

(4) SERVICE AGREEMENT.—In providing a retention or signing bonus under this subsection, the Director shall provide each qualifying individual with a written service agreement that includes—

(A) the commencement and termination dates of the required service period (or provisions for the determination of such dates);

(B) the amount of the bonus; and

(C) any other term or condition under which the bonus is payable, subject to the requirements under this subsection, including—

(i) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed; and

(ii) the effect of a termination described in clause (i).

Subtitle B—Judiciary Matters

SEC. 100101. APPROPRIATION TO THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS.

In addition to amounts otherwise available, there is appropriated to the Director of the Administrative Office of the United States Courts, out of amounts in the Treasury not otherwise appropriated, $1,250,000 for each of fiscal years 2025 through 2028, for the purpose of continuing analyses and reporting pursuant to section 604(a)(2) of title 28, United States Code, to examine the state of the dockets of the courts and to prepare and transmit statistical data and reports as to the business of the courts, including an assessment of the number, frequency, and related metrics of judicial orders issuing nonparty relief against the Federal Government and their aggregate cost impact on the taxpayers of the United States, as determined by each court when imposing securities for the issuance of preliminary injunctions or temporary restraining orders against the Federal Government pursuant to rule 65(c) of the Federal Rules of Civil Procedure.

SEC. 100102. APPROPRIATION TO THE FEDERAL JUDICIAL CENTER.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Director of the Federal Judicial Center, out of amounts in the Treasury not otherwise appropriated, $1,000,000 for each of fiscal years 2025 through 2028, for the purpose described in subsection (b).

(b) USE OF FUNDS.—The Federal Judicial Center shall use the amounts appropriated under subsection (a) for the continued implementation of programs pursuant to section 620(b)(3) of title 28, United States Code, to stimulate, create, develop, and conduct programs of continuing education and training for personnel of the judicial branch, including training on the absence of constitutional and statutory authority supporting legal claims that seek non-party relief against the

Federal Government, and strategic approaches for mitigating the aggregate cost impact of such legal claims on the taxpayers of the United States.

Subtitle C—Radiation Exposure Compensation Matters

SEC. 100201. EXTENSION OF FUND.

Section 3(d) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) by striking the first sentence and inserting ''The Fund shall terminate on December 31, 2028.''; and

(2) by striking ''the end of that 2-year period'' and inserting ''such date''.

SEC. 100202. CLAIMS RELATING TO ATMOSPHERIC TESTING.

(a) LEUKEMIA CLAIMS RELATING TO TRINITY TEST IN NEW MEXICO AND TESTS AT THE NEVADA SITE.—Section 4(a)(1)(A) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) in clause (i)—

(A) in subclause (I), by striking ''October 31, 1958'' and inserting ''November 6, 1962'';

(B) in subclause (II)—

(i) by striking ''in the affected area'' and inserting ''in an affected area''; and

(ii) by striking ''or'' after the semicolon;

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

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

''(III) was physically present in an affected area for a period of at least 1 year during the period beginning on September 24, 1944, and ending on November 6, 1962; or''; and

(2) in clause (ii)(I), by striking ''physical presence described in subclause (I) or (II) of clause (i) or onsite participation described in clause (i)(III)'' and inserting ''physical presence described in subclause (I), (II), or (III) of clause (i) or onsite participation described in clause (i)(IV)''.

(b) AMOUNTS FOR CLAIMS RELATED TO LEUKEMIA.—Section 4(a)(1) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) in subparagraph (A), by striking ''an amount'' and inserting ''the amount'';

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

''(B) AMOUNT.—If the conditions described in subparagraph (C) are met, an individual who is described in subparagraph (A) shall receive $100,000.''; and

(3) in subparagraph (C), by adding at the end the following:

''(iv) No payment under this paragraph previously has been made to the individual, on behalf of the individual, or to a survivor of the individual.''.

(c) CONDITIONS FOR CLAIMS RELATED TO LEUKEMIA.—Section 4(a)(1)(C) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) by striking clause (i); and

(2) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively.

(d) SPECIFIED DISEASES CLAIMS RELATING TO TRINITY TEST IN NEW MEXICO AND TESTS AT THE NEVADA SITE.—Section 4(a)(2) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) in subparagraph (A)—

(A) by striking ''in the affected area'' and inserting ''in an affected area'';

(B) by striking ''2 years'' and inserting ''1 year''; and

(C) by striking ''October 31, 1958,'' and inserting ''November 6, 1962;'';

(2) in subparagraph (B)—

(A) by striking ''in the affected area'' and inserting ''in an affected area''; and

(B) by striking '', or'' at the end and inserting a semicolon;

(3) by redesignating subparagraph (C) as subparagraph (D); and

(4) by inserting after subparagraph (B) the following:

''(C) was physically present in an affected area for a period of at least 1 year during the period beginning on September 24, 1944, and ending on November 6, 1962; or''.

(e) AMOUNTS FOR CLAIMS RELATED TO SPECIFIED DISEASES.—Section 4(a)(2) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended in the matter following subparagraph (D) (as redesignated by subsection (d) of this section)—

(1) by striking ''$50,000 (in the case of an individual described in subparagraph (A) or (B)) or $75,000 (in the case of an individual described in subparagraph (C)),'' and inserting ''$100,000'';

(2) in clause (i), by striking '', and'' and inserting a semicolon;

(3) in clause (ii), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(iii) no payment under this paragraph previously has been made to the individual, on behalf of the individual, or to a survivor of the individual.''.

(f) DOWNWIND STATES.—Section 4(b)(1) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended to read as follows:

''(1) 'affected area' means—

''(A) except as provided under subparagraph (B)—

''(i) the States of New Mexico, Utah, and Idaho;

''(ii) in the State of Nevada, the counties of White Pine, Nye, Lander, Lincoln, Eureka, and that portion of Clark County that consists of townships 13 through 16 at ranges 63 through 71; and

''(iii) in the State of Arizona, the counties of Coconino, Yavapai, Navajo, Apache, and Gila, and Mohave; and

''(B) with respect to a claim by an individual under subsection (a)(1)(A)(i)(III) or subsection (a)(2)(C), only New Mexico; and''.

SEC. 100203. CLAIMS RELATING TO URANIUM MINING.

(a) EMPLOYEES OF MINES AND MILLS.—Section 5(a)(1)(A)(i) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended to read as follows:

''(i)(I) was employed in a uranium mine or uranium mill (including any individual who was employed in the transport of uranium ore or vanadium-uranium ore from such mine or mill) located in Colorado, New Mexico, Arizona, Wyoming, South Dakota, Washington, Utah, Idaho, North Dakota, Oregon, or Texas at any time during the period beginning on January 1, 1942, and ending on December 31, 1990; or

''(II) was employed as a core driller in a State referred to in subclause (I) during the period described in such subclause; and''.

(b) MINERS.—Section 5(a)(1)(A)(ii)(I) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended by inserting ''or renal cancer or any other chronic renal disease, including nephritis and kidney tubal tissue injury'' after ''nonmalignant respiratory disease''.

(c) MILLERS, CORE DRILLERS, AND ORE TRANSPORTERS.—Section 5(a)(1)(A)(ii)(II) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) by inserting '', core driller,'' after ''was a miller'';

(2) by inserting '', or was involved in remediation efforts at such a uranium mine or uranium mill,'' after ''ore transporter'';

(3) by inserting ''(I)'' after ''clause (i)''; and

(4) by striking ''or renal cancers'' and all that follows and inserting ''or renal cancer or any other chronic renal disease, including nephritis and kidney tubal tissue injury; or''.

(d) COMBINED WORK HISTORIES.—Section 5(a)(1)(A)(ii) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note), as amended by subsection (c), is further amended—

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

(2) by adding at the end the following:

''(III)(aa) does not meet the conditions of subclause (I) or (II);

''(bb) worked, during the period described in clause (i)(I), in 2 or more of the following positions: miner, miller, core driller, and ore transporter;

''(cc) meets the requirements under paragraph (4) or (5); and

''(dd) submits written medical documentation that the individual developed lung cancer, a nonmalignant respiratory disease, renal cancer, or any other chronic renal disease, including nephritis and kidney tubal tissue injury after exposure to radiation through work in one or more of the positions referred to in item (bb);''.

(e) SPECIAL RULES RELATING TO COMBINED WORK HISTORIES.—Section 5(a) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended by adding at the end the following:

''(4) SPECIAL RULE RELATING TO COMBINED WORK HISTORIES FOR INDIVIDUALS WITH AT LEAST ONE YEAR OF EXPERIENCE.—An individual meets the requirements under this paragraph if the individual worked in one or more of the positions referred to in paragraph (1)(A)(ii)(III)(bb) for a period of at least one year during the period described in paragraph (1)(A)(i)(I).

''(5) SPECIAL RULE RELATING TO COMBINED WORK HISTORIES FOR MINERS.—An individual meets the requirements of this paragraph if the individual, during the period described in paragraph (1)(A)(i)(I), worked as a miner and was exposed to such number of working level months that the Attorney General determines, when combined with the exposure of such individual to radiation through work as a miller, core driller, or ore transporter during the period described in paragraph (1)(A)(i)(I), results in such individual being exposed to a total level of radiation that is greater or equal to the level of exposure of an individual described in paragraph (4).''.

(f) DEFINITION OF CORE DRILLER.—Section 5(b) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(9) the term 'core driller' means any individual employed to engage in the act or process of obtaining cylindrical rock samples of uranium or vanadium by means of a borehole drilling machine for the purpose of mining uranium or vanadium.''.

SEC. 100204. CLAIMS RELATING TO MANHATTAN PROJECT WASTE.—

The Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended by inserting after section 5 the following:

''SEC. 5A. CLAIMS RELATING TO MANHATTAN PROJECT WASTE.

''(a) IN GENERAL.—A claimant shall receive compensation for a claim made under this Act, as described in subsection (b) or (c), if—

''(1) a claim for compensation is filed with the Attorney General—

''(A) by an individual described in paragraph (2); or

''(B) on behalf of that individual by an authorized agent of that individual, if the individual is deceased or incapacitated, such as—

''(i) an executor of estate of that individual; or

''(ii) a legal guardian or conservator of that individual;

''(2) that individual, or if applicable, an authorized agent of that individual, demonstrates that such individual—

''(A) was physically present in an affected area for a period of at least 2 years after January 1, 1949; and

''(B) contracted a specified disease after such period of physical presence;

''(3) the Attorney General certifies that the identity of that individual, and if applicable, the authorized agent of that individual, is not fraudulent or otherwise misrepresented; and

''(4) the Attorney General determines that the claimant has satisfied the applicable requirements of this Act.

''(b) LOSSES AVAILABLE TO LIVING AFFECTED INDIVIDUALS.—

''(1) IN GENERAL.—In the event of a claim qualifying for compensation under subsection (a) that is submitted to the Attorney General to be eligible for compensation under this section at a time when the individual described in subsection (a)(2) is living, the amount of compensation under this section shall be in an amount that is the greater of $50,000 or the total amount of compensation for which the individual is eligible under paragraph (2).

''(2) LOSSES DUE TO MEDICAL EXPENSES.—A claimant described in paragraph (1) shall be eligible to receive, upon submission of contemporaneous written medical records, reports, or billing statements created by or at the direction of a licensed medical professional who provided contemporaneous medical care to the claimant, additional compensation in the amount of all documented out-of-pocket medical expenses incurred as a result of the specified disease suffered by that claimant, such as any medical expenses not covered, paid for, or reimbursed through—

''(A) any public or private health insurance;

''(B) any employee health insurance;

''(C) any workers' compensation program; or

''(D) any other public, private, or employee health program or benefit.

''(3) LIMITATION.—No claimant is eligible to receive compensation under this subsection with respect to medical expenses unless the submissions described in paragraph (2) with respect to such expenses are submitted on or before December 31, 2028.

''(c) PAYMENTS TO BENEFICIARIES OF DECEASED INDIVIDUALS.—In the event that an individual described in subsection (a)(2) who qualifies for compensation under subsection (a) is deceased at the time of submission of the claim—

''(1) a surviving spouse may, upon submission of a claim and records sufficient to satisfy the requirements of subsection (a) with respect to the deceased individual, receive compensation in the amount of $25,000; or

''(2) in the event that there is no surviving spouse, the surviving children, minor or otherwise, of the deceased individual may, upon submission of a claim and records sufficient to satisfy the requirements of subsection (a) with respect to the deceased individual, receive compensation in the total amount of $25,000, paid in equal shares to each surviving child.

''(d) AFFECTED AREAS.—For purposes of this section, the term 'affected area' means—

''(1) in the State of Missouri, the ZIP Codes of 63031, 63033, 63034, 63042, 63045, 63074, 63114, 63135, 63138, 63044, 63121, 63140, 63145, 63147, 63102, 63304, 63134, 63043, 63341, 63368, and 63367;

''(2) in the State of Tennessee, the ZIP Codes of 37716, 37840, 37719, 37748, 37763, 37828, 37769, 37710, 37845, 37887, 37829, 37854, 37830, and 37831;

''(3) in the State of Alaska, the ZIP Codes of 99546 and 99547; and

''(4) in the State of Kentucky, the ZIP Codes of 42001, 42003, and 42086.

''(e) SPECIFIED DISEASE.—For purposes of this section, the term 'specified disease' means any of the following:

''(1) Any leukemia, provided that the initial exposure occurred after 20 years of age and the onset of the disease was at least 2 years after first exposure.

''(2) Any of the following diseases, provided that the onset was at least 2 years after the initial exposure:

''(A) Multiple myeloma.

''(B) Lymphoma, other than Hodgkin's disease.

''(C) Primary cancer of the—

''(i) thyroid;

''(ii) male or female breast;

''(iii) esophagus;

''(iv) stomach;

''(v) pharynx;

''(vi) small intestine;

''(vii) pancreas;

''(viii) bile ducts;

''(ix) gall bladder;

''(x) salivary gland;

''(xi) urinary bladder;

''(xii) brain;

''(xiii) colon;

''(xiv) ovary;

''(xv) bone;

''(xvi) renal;

''(xvii) liver, except if cirrhosis or hepatitis B is indicated; or

''(xviii) lung.

''(f) PHYSICAL PRESENCE.—

''(1) IN GENERAL.—For purposes of this section, the Attorney General may not determine that a claimant has satisfied the requirements under subsection (a) unless demonstrated by submission of—

''(A) contemporaneous written residential documentation or at least 1 additional employer-issued or government-issued document or record that the claimant, for at least 2 years after January 1, 1949, was physically present in an affected area; or

''(B) other documentation determined by the Attorney General to demonstrate that the claimant, for at least 2 years after January 1, 1949, was physically present in an affected area.

''(2) TYPES OF PHYSICAL PRESENCE.—For purposes of determining physical presence under this section, a claimant shall be considered to have been physically present in an affected area if—

''(A) the claimant's primary residence was in the affected area;

''(B) the claimant's place of employment was in the affected area; or

''(C) the claimant attended school in the affected area.

''(g) DISEASE CONTRACTION IN AFFECTED AREAS.—For purposes of this section, the Attorney General may not determine that a claimant has satisfied the requirements under subsection (a) unless the claimant submits—

''(1) written medical records or reports created by or at the direction of a licensed medical professional, created contemporaneously with the provision of medical care to the claimant, that the claimant, after a period of physical presence in an affected area, contracted a specified disease; or

''(2) other documentation determined by the Attorney General to demonstrate that the claimant contracted a specified disease after a period of physical presence in an affected area.''.

SEC. 100205. LIMITATIONS ON CLAIMS.

Section 8(a) of the Radiation Exposure Compensation Act (Public Law 101–426; 42 U.S.C. 2210 note) is amended by striking ''2 years after the date of enactment of the RECA Extension Act of 2022'' and inserting ''December 31, 2027''.

SA 2849. Ms. KLOBUCHAR (for herself and Mr. KELLY) proposed an amendment to amendment SA 2848 proposed by Mr. GRAHAM to the amendment SA 2360 proposed by Mr. THUNE (for Mr. GRAHAM) to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; as follows:

In section 4(a)(2) of the Food and Nutrition Act of 2008 (as added by section 10105(a)(2)), strike clause (iii) of subparagraph (B).

SA 2850. Mr. PADILLA submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place in title V, insert the following:

SEC. 5_____. ELECTION SECURITY.

(a) ELECTION SECURITY GRANT FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the ''Election Security Grant Fund'', consisting of amounts transferred pursuant to paragraph (2).

(2) TRANSFERS TO FUND.—Notwithstanding paragraph (3) of section 104(b) of the REPO for Ukrainians Act (Public Law 118–50; 22 U.S.C. 9521 note), the Secretary of the Treasury shall transfer to the Election Security Fund an amount equal to $1,000,000,000 of the Russian sovereign assets seized under that section.

(3) EXPENDITURES FROM THE FUND.—Amounts in the Election Security Grant Fund shall be available for payments to States under title X of the Help America Vote Act of 2002, as added by subsection (b) of this section.

(b) ELECTION SECURITY GRANTS.—

(1) IN GENERAL.—The Help America Vote Act of 2002 (52 U.S.C. 20901 et seq.) is amended by adding at the end the following new title:

''TITLE X—ELECTION SECURITY GRANTS

''SEC. 1001. ELECTION SECURITY GRANT PROGRAM.

''(a) IN GENERAL.—For each fiscal year, the Commission shall establish a program under which the Commission shall make a payment to each State in which the chief executive officer of the State, or designee, in consultation and coordination with the chief State election official—

''(1) agrees to comply with the requirements of section 1003; and

''(2) notifies the Commission that the State intends to use the payment in accordance with this section.

''(b) USE OF PAYMENTS.—

''(1) IN GENERAL.—A State shall use the funds provided under a payment made under this section for activities to improve the administration of elections for Federal office, including to enhance election technology and make election security improvements.

''(2) LIMITATION.—A State may not use the funds provided under a payment made under this section—

''(A) to pay costs associated with any litigation, except to the extent that such costs otherwise constitute permitted uses of a payment under this section; or

''(B) for the payment of any judgment.

''(c) USE OF FUNDS TO BE CONSISTENT WITH OTHER LAWS AND REQUIREMENTS.—In order to receive a payment under the program under this section, the State shall provide the Commission with certifications that—

''(1) the State will use the funds provided under the payment in a manner that is consistent with each of the laws described in section 906, as such laws relate to the provisions of this Act; and

''(2) the proposed uses of the funds are not inconsistent with the requirements of title III.

''(d) AMOUNT OF ANNUAL PAYMENT.—

''(1) IN GENERAL.—The amount of payment made to a State under this section for any fiscal year shall be the minimum payment amount described in paragraph (2) plus the voting age population proportion amount described in paragraph (3).

''(2) MINIMUM PAYMENT AMOUNT.—The minimum payment amount described in this paragraph is—

''(A) in the case of any of the several States or the District of Columbia, one-half of 1 percent of the annual payment amount; and

''(B) in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, or the Northern Mariana Islands, one-tenth of 1 percent of such annual payment amount.

''(3) VOTING AGE POPULATION PROPORTION AMOUNT.—The voting age population proportion amount described in this paragraph is the product of—

''(A) the annual payment amount minus the total of all of the minimum payment amounts determined under paragraph (2); and

''(B) the voting age population proportion for the State (as defined in paragraph (4)).

''(4) VOTING AGE POPULATION PROPORTION DEFINED.—The term 'voting age population proportion' means, with respect to a State, the amount equal to the quotient of—

''(A) the voting age population of the State (as reported in the most recent decennial census); and

''(B) the total voting age population of all States (as reported in the most recent decennial census).

''(e) TIMING OF PAYMENT.—A payment under this section for any fiscal year shall be made not later than 45 days after the first day of such fiscal year.

''SEC. 1002. ANNUAL PAYMENT AMOUNT.

''For purposes of this title, the term 'annual payment amount' means, for any fiscal year, $100,000,000.

''SEC. 1003. REQUIREMENTS.

''(a) DEPOSIT OF AMOUNTS IN STATE ELECTION FUND.—When a State has established an election fund described in section 254(b), the State shall ensure that any funds provided to the State under this title are deposited and maintained in such fund.

''(b) STATE SHARE.—Not later than 2 years after receiving a payment under this title for any year, a State shall make available funds for activities described in subsection 1001(b)(1) in an amount equal to 20 percent of the total amount of the payment to the State for such year.

''(c) REPORTS.—A State shall submit to the Commission quarterly financial reports and annual progress reports.''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the Help America Vote Act of 1986 is amended by adding at the end the following:

''TITLE X—ELECTION SECURITY GRANTS

''Sec. 1001. Election security grant program.
''Sec. 1002. Annual payment amount.
''Sec. 1003. Requirements.''.

SA 2851. Mr. PADILLA submitted an amendment intended to be proposed by him to the bill H.R. 1, to provide for reconciliation pursuant to title II of H. Con. Res. 14; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CISA ELECTION SECURITY-RELATED ACTIVITIES.

In addition to amounts otherwise available, and notwithstanding paragraph (3) of section 104(b) of the REPO for Ukrainians Act (Public Law 118–50; 22 U.S.C. 9521 note), the Secretary of the Treasury shall transfer to the Director of the Cybersecurity and Infrastructure Security Agency for fiscal year 2025 for election security-related activities an amount equal to $1,000,000,000 of the Russian sovereign assets seized under that section.

AUTHORITY FOR COMMITTEES TO MEET

Mr. THUNE. Mr. President, I have 1 request for a committee to meet during today's session of the Senate. It has the approval of the Majority and Minority Leaders.

Pursuant to rule XXVI, paragraph 5(a), of the Standing Rules of the Senate, the following committee is authorized to meet during today's session of the Senate:

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

The Committee on Homeland Security and Governmental Affairs is authorized to meet during the session of the Senate on Monday, June 30, 2025, at 9:45 a.m., to conduct a business meeting.

ORDERS FOR THURSDAY, JULY 3, 2025

Mr. THUNE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn to then convene for pro forma session only, with no business being conducted, on the following date and time: Thursday, July 3, at 12 noon; further, that when the Senate adjourns on Thursday, July 3, it stand adjourned until 3 p.m. on Monday, July 7; that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each; finally, that notwithstanding rule XXII, the cloture motions filed on July 1 ripen at 5:30 p.m.

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

ORDER FOR ADJOURNMENT

Mr. THUNE. Mr. President, if there is no further business to come before the Senate, I ask that it stand adjourned under the previous order following the remarks of the Democratic leader.

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

The Democratic leader.

ONE BIG BEAUTIFUL BILL

Mr. SCHUMER. Mr. President, today, Senate Republicans betrayed the American people and covered this Chamber in shame. In one fell swoop, Republicans passed the biggest tax breaks for billionaires ever seen, paid for by ripping healthcare away from millions of Americans and taking food out of the mouths of hungry kids.

This is not a big, beautiful bill at all. That is why I moved on the floor to strike the title. It is now called The Act, but it is really a big, ugly betrayal.

Because of this bill, tens of millions will lose health insurance, millions of jobs will disappear, people will get sick and die, kids will go hungry, and the debt will explode to levels we have never seen—all so that billionaires and corporate special interests will get a permanent tax break. This is not what the country needs. This is not what the American people want.

And I must say this: Republicans bent and twisted and pushed the rules and the norms of the Senate to get this bill done, and they did grave damage to this Chamber when they did it—all just so they could pass tax breaks for billionaires.

Today's vote will haunt our Republican colleagues for years to come as the American people see the damage that is done. As hospitals close, as people are laid off, as costs go up, as the debt increases, they will see what our colleagues have done, and they will remember it, and we Democrats will make sure they remember it. The American people will not forget the betrayal—the betrayal—that took place today.

I yield the floor.

ADJOURNMENT UNTIL THURSDAY, JULY 3, 2025

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 12 noon on Thursday, July 3, 2025.

Thereupon, the Senate, at 12:37 p.m., adjourned until Thursday, July 3, 2025, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate:

AFRICAN DEVELOPMENT BANK

ADEMOLA ADEWALE–SADIK, OF NEW YORK, TO BE UNITED STATES DIRECTOR OF THE AFRICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS, VICE OREN E. WHYCHE–SHAW.

TENNESSEE VALLEY AUTHORITY

LEA BEAMAN, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR A TERM EXPIRING MAY 18, 2030, VICE JOE H. RITCH, TERM EXPIRED.

DEPARTMENT OF JUSTICE

BRADEN BOUCEK, OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE HENRY C. LEVENTIS.

DEPARTMENT OF DEFENSE

JAMES CAGGY, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF DEFENSE. (NEW POSITION)

DEPARTMENT OF JUSTICE

ARCH CAPITO, OF WEST VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF FOUR YEARS, VICE WILLIAM S. THOMPSON.