

AMENDMENT TO H.J. RES. 59
OFFERED BY MR. RYAN OF WISCONSIN

In lieu of the matter proposed to be inserted by the Senate insert the following:

1 **DIVISION A—BIPARTISAN**
2 **BUDGET AGREEMENT**

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Bipartisan Budget Act of 2013”.

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

DIVISION A—BUDGET ENFORCEMENT AND DEFICIT REDUCTION

Sec. 1. Short title and table of contents.

TITLE I—BUDGET ENFORCEMENT

Subtitle A—Amendments to the Balanced Budget and Emergency Deficit
Control Act of 1985

Sec. 101. Amendments to the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle B—Establishing a Congressional Budget

- Sec. 111. Fiscal year 2014 budget resolution.
- Sec. 112. Limitation on advance appropriations in the Senate.
- Sec. 113. Rule of construction in the House of Representatives.
- Sec. 114. Additional Senate budget enforcement.
- Sec. 115. Authority for fiscal year 2015 budget resolution in the House of Representatives.
- Sec. 116. Authority for fiscal year 2015 budget resolution in the Senate.
- Sec. 117. Exclusion of savings from PAYGO scorecards.
- Sec. 118. Exercise of rulemaking powers.

Subtitle C—Technical Corrections

- Sec. 121. Technical corrections to the Balanced Budget and Emergency Deficit Control Act of 1985.
Sec. 122. Technical corrections to the Congressional Budget Act of 1974.

TITLE II—PREVENTION OF WASTE, FRAUD, AND ABUSE

- Sec. 201. Improving the collection of unemployment insurance overpayments.
Sec. 202. Strengthening Medicaid Third-Party Liability.
Sec. 203. Restriction on access to the death master file.
Sec. 204. Identification of inmates requesting or receiving improper payments.

TITLE III—NATURAL RESOURCES

- Sec. 301. Ultra-deepwater and unconventional natural gas and other petroleum resources.
Sec. 302. Amendment to the Mineral Leasing Act.
Sec. 303. Approval of agreement with Mexico.
Sec. 304. Amendment to the Outer Continental Shelf Lands Act.
Sec. 305. Federal oil and gas royalty prepayment cap.
Sec. 306. Strategic Petroleum Reserve.

TITLE IV—FEDERAL CIVILIAN AND MILITARY RETIREMENT

- Sec. 401. Increase in contributions to Federal Employees' Retirement System for new employees.
Sec. 402. Foreign Service Pension System.
Sec. 403. Annual adjustment of retired pay and retainer pay amounts for retired members of the Armed Forces under age 62.

TITLE V—HIGHER EDUCATION

- Sec. 501. Default reduction program.
Sec. 502. Elimination of nonprofit servicing contracts.

TITLE VI—TRANSPORTATION

- Sec. 601. Aviation security service fees.
Sec. 602. Transportation cost reimbursement.
Sec. 603. Sterile areas at airports.

TITLE VII—MISCELLANEOUS PROVISIONS

- Sec. 701. Extension of customs user fees.
Sec. 702. Limitation on allowable government contractor compensation costs.
Sec. 703. Pension Benefit Guaranty Corporation premium rate increases.
Sec. 704. Cancellation of Unobligated Balances.
Sec. 705. Conservation planning technical assistance user fees.
Sec. 706. Self plus one coverage.

1 (c) REFERENCES.—Except as expressly provided oth-
2 erwise, any reference to “this Act” contained in any divi-
3 sion of this Act shall be treated as referring only to the
4 provisions of that division.

1 **TITLE I—BUDGET**
2 **ENFORCEMENT**
3 **Subtitle A—Amendments to the**
4 **Balanced Budget and Emer-**
5 **gency Deficit Control Act of**
6 **1985**

7 **SEC. 101. AMENDMENTS TO THE BALANCED BUDGET AND**
8 **EMERGENCY DEFICIT CONTROL ACT OF 1985.**

9 (a) **REVISED DISCRETIONARY SPENDING LIMITS.—**

10 Section 251(c) of the Balanced Budget and Emergency
11 Deficit Control Act of 1985 is amended by striking para-
12 graphs (1) through (10) and inserting the following new
13 paragraphs:

14 “(1) for fiscal year 2014—

15 “(A) for the revised security category,
16 \$520,464,000,000 in new budget authority; and

17 “(B) for the revised nonsecurity category,
18 \$491,773,000,000 in new budget authority;

19 “(2) for fiscal year 2015—

20 “(A) for the revised security category,
21 \$521,272,000,000 in new budget authority; and

22 “(B) for the revised nonsecurity category,
23 \$492,356,000,000 in new budget authority;

24 “(3) for fiscal year 2016—

1 “(A) for the revised security category,
2 \$577,000,000,000 in new budget authority; and

3 “(B) for the revised nonsecurity category,
4 \$530,000,000,000 in new budget authority;

5 “(4) for fiscal year 2017—

6 “(A) for the revised security category,
7 \$590,000,000,000 in new budget authority; and

8 “(B) for the revised nonsecurity category,
9 \$541,000,000,000 in new budget authority;

10 “(5) for fiscal year 2018—

11 “(A) for the revised security category,
12 \$603,000,000,000 in new budget authority; and

13 “(B) for the revised nonsecurity category,
14 \$553,000,000,000 in new budget authority;

15 “(6) for fiscal year 2019—

16 “(A) for the revised security category,
17 \$616,000,000,000 in new budget authority; and

18 “(B) for the revised nonsecurity category,
19 \$566,000,000,000 in new budget authority;

20 “(7) for fiscal year 2020—

21 “(A) for the revised security category,
22 \$630,000,000,000 in new budget authority; and

23 “(B) for the revised nonsecurity category,
24 \$578,000,000,000 in new budget authority; and

25 “(8) for fiscal year 2021—

1 “(A) for the revised security category,
2 \$644,000,000,000 in new budget authority; and

3 “(B) for the revised nonsecurity category,
4 \$590,000,000,000 in new budget authority;”.

5 (b) DIRECT SPENDING ADJUSTMENTS FOR FISCAL
6 YEARS 2014 AND 2015.—(1) Section 251A of the Bal-
7 anced Budget and Emergency Deficit Control Act of 1985,
8 as redesignated by subsection (d), is amended by adding
9 at the end the following new paragraph:

10 “(10) IMPLEMENTING DIRECT SPENDING RE-
11 DUCTIONS FOR FISCAL YEARS 2014 AND 2015.—(A)
12 OMB shall make the calculations necessary to imple-
13 ment the direct spending reductions calculated pur-
14 suant to paragraphs (3) and (4) without regard to
15 the amendment made to section 251(c) revising the
16 discretionary spending limits for fiscal years 2014
17 and 2015 by the Bipartisan Budget Act of 2013.

18 “(B) Paragraph (5)(B) shall not be imple-
19 mented for fiscal years 2014 and 2015.”.

20 (2) Paragraph (5)(B) of section 251A of the Bal-
21 anced Budget and Emergency Deficit Control Act of 1985,
22 as redesignated by subsection (d)(2)(C) of this section, is
23 amended by striking “On” and inserting “Except as pro-
24 vided by paragraph (10), on”.

1 (c) EXTENSION OF DIRECT SPENDING REDUCTIONS
2 FOR FISCAL YEARS 2022 AND 2023.—Paragraph (6), as
3 redesignated by subsection (d)(2)(C) of this section, of
4 section 251A of the Balanced Budget and Emergency Def-
5 icit Control Act of 1985 is amended by inserting “(A)”
6 before “On the date” and by adding at the end the fol-
7 lowing new subparagraph:

8 “(B) On the dates OMB issues its sequestration
9 preview reports for fiscal year 2022 and for fiscal
10 year 2023, pursuant to section 254(c), the President
11 shall order a sequestration, effective upon issuance
12 such that—

13 “(i) the percentage reduction for non-
14 exempt direct spending for the defense function
15 is the same percent as the percentage reduction
16 for nonexempt direct spending for the defense
17 function for fiscal year 2021 calculated under
18 paragraph (3)(B); and

19 “(ii) the percentage reduction for non-
20 exempt direct spending for nondefense functions
21 is the same percent as the percentage reduction
22 for nonexempt direct spending for nondefense
23 functions for fiscal year 2021 calculated under
24 paragraph (4)(B).”.

1 (d) CONFORMING AMENDMENTS.—Part C of title II
2 of the Balanced Budget and Emergency Deficit Control
3 Act of 1985 (2 U.S.C. 900 et seq.) is amended—

4 (1) in section 250(c)(4) (2 U.S.C. 900(c)(4)),
5 by adding at the end the following:

6 “(D) The term ‘revised security category’
7 means discretionary appropriations in budget func-
8 tion 050.

9 “(E) The term ‘revised nonsecurity category’
10 means discretionary appropriations other than in
11 budget function 050.

12 “(F) The term ‘category’ means the subsets of
13 discretionary appropriations in section 251(c). Dis-
14 cretionary appropriations in each of the categories
15 shall be those designated in the joint explanatory
16 statement accompanying the conference report on
17 the Balanced Budget Act of 1997. New accounts or
18 activities shall be categorized only after consultation
19 with the Committees on Appropriations and the
20 Budget of the House of Representatives and the
21 Senate and that consultation shall, to the extent
22 practicable, include written communication to such
23 committees that affords such committees the oppor-
24 tunity to comment before official action is taken
25 with respect to new accounts or activities.”; and

1 (2) in section 251A (2 U.S.C. 901a)—

2 (A) by striking, in the matter preceding
3 paragraph (1), “Unless” through “as follows:”
4 and inserting the following: “Discretionary ap-
5 propriations and direct spending accounts shall
6 be reduced in accordance with this section as
7 follows:”;

8 (B) by striking paragraphs (1) and (2);

9 (C) by redesignating paragraphs (3)
10 through (11) as paragraphs (1) through (9), re-
11 spectively;

12 (D) in paragraph (2), as redesignated, by
13 striking “paragraph (3)” and inserting “para-
14 graph (1)”;

15 (E) in paragraph (3), as redesignated, by
16 striking “paragraph (4)” each place it appears
17 and inserting “paragraph (2)”;

18 (F) in paragraph (4), as redesignated, by
19 striking “paragraph (4)” each place it appears
20 and inserting “paragraph (2)”;

21 (G) in paragraph (5), as redesignated—

22 (i) by striking “paragraph (5)” each
23 place it appears and inserting “paragraph
24 (3)”;

1 (ii) by striking “paragraph (6)” each
2 place it appears and inserting “paragraph
3 (4)”;

4 (H) in paragraph (6), as redesignated—

5 (i) by striking “paragraph (4)” and
6 inserting “paragraph (2)”;

7 (ii) by striking “paragraphs (5) and
8 (6)” and inserting “paragraphs (3) and
9 (4)”;

10 (I) in paragraph (7), as redesignated—

11 (i) by striking “paragraph (8)” and
12 inserting “paragraph (6)”;

13 (ii) by striking “paragraph (6)” each
14 place it appears and inserting “paragraph
15 (4)”;

16 (J) in paragraph (9), as redesignated, by
17 striking “paragraph (4)” and inserting “para-
18 graph (2)”.

19 **Subtitle B—Establishing a**
20 **Congressional Budget**

21 **SEC. 111. FISCAL YEAR 2014 BUDGET RESOLUTION.**

22 (a) FISCAL YEAR 2014.—For the purpose of enforc-
23 ing the Congressional Budget Act of 1974 for fiscal year
24 2014, and enforcing, in the Senate, budgetary points of
25 order in prior concurrent resolutions on the budget, the

1 allocations, aggregates, and levels provided for in sub-
2 section (b) shall apply in the same manner as for a concur-
3 rent resolution on the budget for fiscal year 2014 with
4 appropriate budgetary levels for fiscal year 2014 and for
5 fiscal years 2015 through 2023.

6 (b) COMMITTEE ALLOCATIONS, AGGREGATES, AND
7 LEVELS.—The Chairmen of the Committee on the Budget
8 of the House of Representatives and the Senate shall each
9 submit a statement for publication in the Congressional
10 Record as soon as practicable after the date of enactment
11 of this Act that includes—

12 (1) for the Committee on Appropriations of
13 that House, committee allocations for fiscal year
14 2014 consistent with the discretionary spending lim-
15 its set forth in this Act for the purpose of enforcing
16 section 302 of the Congressional Budget Act of
17 1974;

18 (2) for all committees of that House other than
19 the Committee on Appropriations, committee alloca-
20 tions for—

21 (A) fiscal year 2014;

22 (B) fiscal years 2014 through 2018 in the
23 Senate only; and

24 (C) fiscal years 2014 through 2023;

1 consistent with the May 2013 baseline of the Con-
2 gressional Budget Office adjusted to account for the
3 budgetary effects of this Act and legislation enacted
4 prior to this Act but not included in the May 2013
5 baseline of the Congressional Budget Office, for the
6 purpose of enforcing section 302 of the Congres-
7 sional Budget Act of 1974;

8 (3) aggregate spending levels for fiscal year
9 2014 in accordance with the allocations established
10 under paragraphs (1) and (2), for the purpose of en-
11 forcing section 311 of the Congressional Budget Act
12 of 1974;

13 (4) aggregate revenue levels for—

14 (A) fiscal year 2014;

15 (B) fiscal years 2014 through 2018 in the
16 Senate only; and

17 (C) fiscal years 2014 through 2023;

18 consistent with the May 2013 baseline of the Con-
19 gressional Budget Office adjusted to account for the
20 budgetary effects of this Act and legislation enacted
21 prior to this Act but not included in the May 2013
22 baseline of the Congressional Budget Office, for the
23 purpose of enforcing section 311 of the Congres-
24 sional Budget Act of 1974; and

1 (5) in the Senate only, levels of Social Security
2 revenues and outlays for fiscal year 2014 and for
3 the periods of fiscal years 2014 through 2018 and
4 2014 through 2023 consistent with the May 2013
5 baseline of the Congressional Budget Office adjusted
6 to account for the budgetary effects of this Act and
7 legislation enacted prior to this Act but not included
8 in the May 2013 baseline of the Congressional
9 Budget Office, for the purpose of enforcing sections
10 302 and 311 of the Congressional Budget Act of
11 1974.

12 (c) FURTHER ADJUSTMENTS.—After the date of en-
13 actment of this Act, the Chairman of the Committee on
14 the Budget of the House of Representatives may reduce
15 the aggregates, allocations, and other budgetary levels in-
16 cluded in the statement of the Chairman of the Committee
17 on the Budget of the House of Representatives referred
18 to in subsection (b) to reflect the budgetary effects of any
19 legislation enacted during the 113th Congress that re-
20 duces the deficit.

21 **SEC. 112. LIMITATION ON ADVANCE APPROPRIATIONS IN**
22 **THE SENATE.**

23 (a) POINT OF ORDER AGAINST ADVANCE APPRO-
24 PRIATIONS IN THE SENATE.—

25 (1) IN GENERAL.—

1 (A) POINT OF ORDER.—Except as pro-
2 vided in paragraph (2), it shall not be in order
3 in the Senate to consider any bill, joint resolu-
4 tion, motion, amendment, amendment between
5 the Houses, or conference report that would
6 provide an advance appropriation.

7 (B) DEFINITION.—In this subsection, the
8 term “advance appropriation” means any new
9 budget authority provided in a bill or joint reso-
10 lution making appropriations for fiscal year
11 2014 that first becomes available for any fiscal
12 year after 2014 or any new budget authority
13 provided in a bill or joint resolution making ap-
14 propriations for fiscal year 2015 that first be-
15 comes available for any fiscal year after 2015.

16 (2) EXCEPTIONS.—Advance appropriations may
17 be provided—

18 (A) for fiscal years 2015 and 2016 for pro-
19 grams, projects, activities, or accounts identi-
20 fied in a statement submitted to the Congres-
21 sional Record by the Chairman of the Com-
22 mittee on the Budget of the Senate under the
23 heading “Accounts Identified for Advance Ap-
24 propriations” in an aggregate amount not to

1 exceed \$28,852,000,000 in new budget author-
2 ity in each fiscal year;

3 (B) for the Corporation for Public Broad-
4 casting; and

5 (C) for the Department of Veterans Affairs
6 for the Medical Services, Medical Support and
7 Compliance, and Medical Facilities accounts of
8 the Veterans Health Administration.

9 (3) SUPERMAJORITY WAIVER AND APPEAL.—

10 (A) WAIVER.—In the Senate, paragraph
11 (1) may be waived or suspended only by an af-
12 firmative vote of three-fifths of the Members,
13 duly chosen and sworn.

14 (B) APPEAL.—An affirmative vote of
15 three-fifths of the Members of the Senate, duly
16 chosen and sworn, shall be required to sustain
17 an appeal of the ruling of the Chair on a point
18 of order raised under paragraph (1).

19 (4) FORM OF POINT OF ORDER.—A point of
20 order under paragraph (1) may be raised by a Sen-
21 ator as provided in section 313(e) of the Congres-
22 sional Budget Act of 1974.

23 (5) CONFERENCE REPORTS.—When the Senate
24 is considering a conference report on, or an amend-
25 ment between the Houses in relation to, a bill, upon

1 a point of order being made by any Senator pursu-
2 ant to this subsection, and such point of order being
3 sustained, such material contained in such con-
4 ference report or amendment between the Houses
5 shall be stricken, and the Senate shall proceed to
6 consider the question of whether the Senate shall re-
7 cede from its amendment and concur with a further
8 amendment, or concur in the House amendment
9 with a further amendment, as the case may be,
10 which further amendment shall consist of only that
11 portion of the conference report or House amend-
12 ment, as the case may be, not so stricken. Any such
13 motion in the Senate shall be debatable. In any case
14 in which such point of order is sustained against a
15 conference report (or Senate amendment derived
16 from such conference report by operation of this
17 paragraph), no further amendment shall be in order.

18 (6) INAPPLICABILITY.—In the Senate, section
19 402 of S. Con. Res. 13 (111th Congress) shall no
20 longer apply.

21 (b) EXPIRATION.—Subsection (a) shall expire if a
22 concurrent resolution on the budget for fiscal year 2015
23 is agreed to by the Senate and House of Representatives
24 pursuant to section 301 of the Congressional Budget Act
25 of 1974.

1 **SEC. 113. RULE OF CONSTRUCTION IN THE HOUSE OF REP-**
2 **RESENTATIVES.**

3 In the House of Representatives, for the remainder
4 of the 113th Congress, the provisions of H. Con. Res. 25
5 (113th Congress), as deemed in force by H. Res. 243
6 (113th Congress), shall remain in force to the extent its
7 budgetary levels are not superseded by this subtitle or by
8 further action of the House of Representatives.

9 **SEC. 114. ADDITIONAL SENATE BUDGET ENFORCEMENT.**

10 (a) **SENATE PAY-AS-YOU-GO SCORECARD.—**

11 (1) **IN GENERAL.—**Effective on the date of en-
12 actment of this Act, for the purpose of enforcing
13 section 201 of S. Con. Res. 21 (110th Congress),
14 the Chairman of the Committee on the Budget of
15 the Senate shall reduce any balances of direct spend-
16 ing and revenues for any fiscal year to zero.

17 (2) **FISCAL YEAR 2015.—**After April 15, 2014,
18 but not later than May 15, 2014, for the purpose of
19 enforcing section 201 of S. Con. Res. 21 (110th
20 Congress), the Chairman of the Committee on the
21 Budget of the Senate shall reduce any balances of
22 direct spending and revenues for any fiscal year to
23 zero.

24 (3) **PUBLICATION.—**Upon resetting the Senate
25 paygo scorecard pursuant to paragraph (2), the
26 Chairman of the Committee on the Budget of the

1 Senate shall publish a notification of such action in
2 the Congressional Record.

3 (b) FURTHER ADJUSTMENTS.—With respect to any
4 allocations, aggregates, or levels set or adjustments made
5 pursuant to this subtitle, sections 412 through 414 of S.
6 Con. Res. 13 (111th Congress) shall remain in effect.

7 (c) DEFICIT-NEUTRAL RESERVE FUND TO REPLACE
8 SEQUESTRATION.—The Chairman of the Committee on
9 the Budget of the Senate may revise the allocations of a
10 committee or committees, aggregates, and other appro-
11 priate levels and limits set pursuant to this subtitle for
12 one or more bills, joint resolutions, amendments, motions,
13 or conference reports that amend section 251A of the Bal-
14 anced Budget and Emergency Deficit Control Act of 1985
15 (2 U.S.C. 901a) to repeal or revise the enforcement proce-
16 dures established under that section, by the amounts pro-
17 vided in such legislation for those purposes, provided that
18 such legislation would not increase the deficit over the pe-
19 riod of the total of fiscal years 2014 through 2023. For
20 purposes of determining deficit-neutrality under this sub-
21 section, the Chairman may include the estimated effects
22 of any amendment or amendments to the discretionary
23 spending limits in section 251(c) of the Balanced Budget
24 and Emergency Deficit Control Act of 1985 (2 U.S.C.
25 901(c)).

1 (d) ADDITIONAL DEFICIT-NEUTRAL RESERVE
2 FUNDS.—In the Senate only, sections 302, 303, 304, 305,
3 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316,
4 317, 318, 319, 320, 322, 323, 324, 325, 326, 327, 328,
5 329, 330, 331, 332, 333, 334, 335, 338, 339, 340, 341,
6 344, 348, 349, 350, 353, 354, 356, 361, 363, 364, 365,
7 366, 367, 368, 369, 371, 376, 378, 379, and 383 of S.
8 Con. Res. 8 (113th Congress), as passed the Senate, shall
9 have force and effect.

10 (e) EXPIRATION.—Subsections (a)(2), (c), and (d)
11 shall expire if a concurrent resolution on the budget for
12 fiscal year 2015 is agreed to by the Senate and House
13 of Representatives pursuant to section 301 of the Congres-
14 sional Budget Act of 1974.

15 **SEC. 115. AUTHORITY FOR FISCAL YEAR 2015 BUDGET RES-**
16 **OLUTION IN THE HOUSE OF REPRESENTA-**
17 **TIVES.**

18 (a) FISCAL YEAR 2015.—If a concurrent resolution
19 on the budget for fiscal year 2015 has not been adopted
20 by April 15, 2014, for the purpose of enforcing the Con-
21 gressional Budget Act of 1974, the allocations, aggre-
22 gates, and levels provided for in subsection (b) shall apply
23 in the House of Representatives after April 15, 2014, in
24 the same manner as for a concurrent resolution on the
25 budget for fiscal year 2015 with appropriate budgetary

1 levels for fiscal year 2015 and for fiscal years 2016
2 through 2024.

3 (b) COMMITTEE ALLOCATIONS, AGGREGATES, AND
4 LEVELS.—In the House of Representatives, the Chairman
5 of the Committee on the Budget shall submit a statement
6 for publication in the Congressional Record after April 15,
7 2014, but not later than May 15, 2014, containing—

8 (1) for the Committee on Appropriations, com-
9 mittee allocations for fiscal year 2015 at the total
10 level as set forth in section 251(c)(2) of the Bal-
11 anced Budget and Emergency Deficit Control Act of
12 1985 for the purpose of enforcing section 302 of the
13 Congressional Budget Act of 1974;

14 (2) for all committees other than the Com-
15 mittee on Appropriations, committee allocations for
16 fiscal year 2015 and for the period of fiscal years
17 2015 through 2024 at the levels included in the
18 most recent baseline of the Congressional Budget
19 Office, as adjusted for the budgetary effects of any
20 provision of law enacted during the period beginning
21 on the date such baseline is issued and ending on
22 the date of submission of such statement, for the
23 purpose of enforcing section 302 of the Congres-
24 sional Budget Act of 1974; and

1 (3) aggregate spending levels for fiscal year
2 2015 and aggregate revenue levels for fiscal year
3 2015 and for the period of fiscal years 2015 through
4 2024, at the levels included in the most recent base-
5 line of the Congressional Budget Office, as adjusted
6 for the budgetary effects of any provision of law en-
7 acted during the period beginning on the date such
8 baseline is issued and ending on the date of submis-
9 sion of such statement, for the purpose of enforcing
10 section 311 of the Congressional Budget Act of
11 1974.

12 (c) **ADDITIONAL MATTER.**—The statement referred
13 to in subsection (b) may also include for fiscal year 2015,
14 the matter contained in title IV (reserve funds) and in
15 sections 601, 603(a), 605(a), and 609 of H. Con. Res.
16 25 (113th Congress), as adopted by the House, updated
17 by one fiscal year, including updated amounts for section
18 601.

19 (d) **FISCAL YEAR 2015 ALLOCATION TO THE COM-**
20 **MITTEE ON APPROPRIATIONS.**—If the statement referred
21 to in subsection (b) is not filed by May 15, 2014, then
22 the matter referred to in subsection (b)(1) shall be sub-
23 mitted by the Chairman of the Committee on the Budget
24 for publication in the Congressional Record on the next
25 day that the House of Representatives is in session.

1 (e) ADJUSTMENTS.—The Chairman of the Com-
2 mittee on the Budget of the House of Representatives may
3 adjust the levels included in the statement referred to in
4 subsection (b) to reflect the budgetary effects of any legis-
5 lation enacted during the 113th Congress that reduces the
6 deficit or as otherwise necessary.

7 (f) APPLICATION.—Subsections (a), (b), (c), (d), and
8 (e) shall no longer apply if a concurrent resolution on the
9 budget for fiscal year 2015 is agreed to by the Senate
10 and House of Representatives pursuant to section 301 of
11 the Congressional Budget Act of 1974.

12 **SEC. 116. AUTHORITY FOR FISCAL YEAR 2015 BUDGET RES-**
13 **OLUTION IN THE SENATE.**

14 (a) FISCAL YEAR 2015.—For the purpose of enforc-
15 ing the Congressional Budget Act of 1974, after April 15,
16 2014, and enforcing budgetary points of order in prior
17 concurrent resolutions on the budget, the allocations, ag-
18 gregates, and levels provided for in subsection (b) shall
19 apply in the Senate in the same manner as for a concur-
20 rent resolution on the budget for fiscal year 2015 with
21 appropriate budgetary levels for fiscal years 2014 and
22 2016 through 2024.

23 (b) COMMITTEE ALLOCATIONS, AGGREGATES, AND
24 LEVELS.—After April 15, 2014, but not later than May

1 15, 2014, the Chairman of the Committee on the Budget
2 of the Senate shall file—

3 (1) for the Committee on Appropriations, com-
4 mittee allocations for fiscal years 2014 and 2015
5 consistent with the discretionary spending limits set
6 forth in this Act for the purpose of enforcing section
7 302 of the Congressional Budget Act of 1974;

8 (2) for all committees other than the Com-
9 mittee on Appropriations, committee allocations for
10 fiscal years 2014, 2015, 2015 through 2019, and
11 2015 through 2024 consistent with the most recent
12 baseline of the Congressional Budget Office for the
13 purpose of enforcing section 302 of the Congres-
14 sional Budget Act of 1974;

15 (3) aggregate spending levels for fiscal years
16 2014 and 2015 in accordance with the allocations
17 established under paragraphs (1) and (2), for the
18 purpose of enforcing section 311 of the Congres-
19 sional Budget Act of 1974;

20 (4) aggregate revenue levels for fiscal years
21 2014, 2015, 2015 through 2019, and 2015 through
22 2024 consistent with the most recent baseline of the
23 Congressional Budget Office for the purpose of en-
24 forcing section 311 of the Congressional Budget Act
25 of 1974; and

1 PAYGO scorecard maintained pursuant to section 4(d) of
2 the Statutory Pay-As-You-Go Act of 2010.

3 (b) SENATE PAYGO SCORECARDS.—Notwith-
4 standing section 1(c) of this division, the budgetary effects
5 of this Act shall not be entered on any PAYGO scorecard
6 maintained for purposes of section 201 of S. Con. Res.
7 21(110th Congress).

8 **SEC. 118. EXERCISE OF RULEMAKING POWERS.**

9 The provisions of this subtitle are enacted by the
10 Congress—

11 (1) as an exercise of the rulemaking power of
12 the House of Representatives and the Senate, re-
13 spectively, and as such they shall be considered as
14 part of the rules of each House, respectively, or of
15 that House to which they specifically apply, and
16 such rules shall supersede other rules only to the ex-
17 tent that they are inconsistent therewith; and

18 (2) with full recognition of the constitutional
19 right of either House to change such rules (so far
20 as relating to such House) at any time, in the same
21 manner, and to the same extent as in the case of
22 any other rule of such House.

1 **Subtitle C—Technical Corrections**

2 **SEC. 121. TECHNICAL CORRECTIONS TO THE BALANCED**
3 **BUDGET AND EMERGENCY DEFICIT CONTROL**
4 **ACT OF 1985.**

5 The Balanced Budget and Emergency Deficit Control
6 Act of 1985 is amended as follows:

7 (1) In section 252(b)(2)(B), strike “applicable
8 to budget year” and insert “applicable to the budget
9 year”.

10 (2) In section 252(c)(1)(C)(i), strike “para-
11 graph (1)” and insert “subsection (b)”.

12 (3) In section 254(c)(3)(A), strike “subsection
13 252(b)” and insert “section 252(b)”.

14 (4) In section 254(f)(4), strike “subsection
15 252(b)” and insert “section 252(b)”.

16 (5) In section 255(a), strike “section 231b(a),
17 231b(f)(2), 231c(a), and 231c(f) of title 45 United
18 States Code” and insert “sections 3 and 4 of the
19 Railroad Retirement Act of 1937 (45 U.S.C. 231 et
20 seq.)”.

21 (6) In section 255(h), in the item relating to
22 Federal Pell Grants, strike “section 401 Title IV”
23 and insert “section 401 of title IV”.

1 (7) In the first subsection (j) of section 255 (re-
2 relating to Split Treatment Programs), move the mar-
3 gins for the list items two ems to the right.

4 (8) Redesignate the second subsection (j) of
5 section 255 (relating to Identification of Programs)
6 as subsection (k).

7 (9) In section 257(b)(2)(A)(i), strike
8 “differenes” and insert “differences”.

9 (10) In section 258(a)(1), strike “section
10 254(j)” and insert “section 254(i)”.

11 **SEC. 122. TECHNICAL CORRECTIONS TO THE CONGRES-**
12 **SIONAL BUDGET ACT OF 1974.**

13 The Congressional Budget Act of 1974 is amended
14 as follows:

15 (1) In sections 301(a)(6) and 301(a)(7), strike
16 “For purposes” and insert “for purposes”.

17 (2) In section 301(a), in the matter following
18 paragraph (7), strike “old age” and insert “old-
19 age”.

20 (3) In section 302(g)(2)(A), strike “committee
21 on the Budget” and insert “Committee on the
22 Budget”.

23 (4) In section 305(a)(1), strike “clause 2(l)(6)
24 of rule XI” and insert “clause 4 of rule XIII”.

1 (5) In section 305(a)(5), strike “provisions of
2 rule XXIII” and insert “provisions of rule XVIII”.

3 (6) In section 305(b)(1), strike “section
4 304(a)” and insert “section 304”.

5 (7) In section 306 strike “No” and insert “(a)
6 IN THE SENATE.— In the Senate, no”, strike “of ei-
7 ther House” and “in that House”, strike “of that
8 House”, and add at the end the following new sub-
9 section:

10 “(b) IN THE HOUSE OF REPRESENTATIVES.—In the
11 House of Representatives, no bill or joint resolution, or
12 amendment thereto, or conference report thereon, dealing
13 with any matter which is within the jurisdiction of the
14 Committee on the Budget shall be considered unless it is
15 a bill or joint resolution which has been reported by the
16 Committee on the Budget (or from the consideration of
17 which such committee has been discharged) or unless it
18 is an amendment to such a bill or joint resolution.”.

19 (8) In section 308(d), in the subsection head-
20 ing, strike “Scorekeeping Guidelines.—” and insert
21 “SCOREKEEPING GUIDELINES.—”

22 (9) In section 310(c)(1)(A)(i) and (ii), strike
23 “under that paragraph by more than” and insert
24 “under that paragraph by more than—”.

1 (10) In section 314(d)(2), strike subparagraph
2 (A), redesignate subparagraphs (B) and (C) as sub-
3 paragraphs (A) and (B) respectively, in subpara-
4 graph (A), as redesignated, strike “under subpara-
5 graph (A)” and insert “under paragraph (1)”, and
6 in subparagraph (B), as redesignated, strike “under
7 subparagraph (B)” and insert “under subparagraph
8 (A)”.

9 (11) In section 315, add at the end the fol-
10 lowing new sentence: “In the case of a reported bill
11 or joint resolution considered pursuant to a special
12 order of business, a point of order under section 303
13 shall be determined on the basis of the text made in
14 order as an original bill or joint resolution for the
15 purpose of amendment or to the text on which the
16 previous question is ordered directly to passage, as
17 the case may be.”.

18 (12) In section 401(b)(2), strike “section
19 302(b)” and insert “section 302(a)”.

20 (13) In section 401(c), add at the end the fol-
21 lowing new paragraph:

22 “(3) In the House of Representatives, sub-
23 sections (a) and (b) shall not apply to new authority
24 described in those subsections to the extent that a
25 provision in a bill or joint resolution, or an amend-

1 ment thereto or a conference report thereon, estab-
2 lishes prospectively for a Federal office or position
3 a specified or minimum level of compensation to be
4 funded by annual discretionary appropriations.”.

5 (14) In section 421(5)(A)(i)(II), strike “sub-
6 paragraph (B))” and insert “subparagraph (B)”.

7 (15) In section 505(c), strike “section 406(b)”
8 both places it appears and insert “section 405(b)”.

9 (16) In section 904(c)(2), strike
10 “258A(b)(3)(C)(I)” and “258(h)(3)” and insert
11 “258A(b)(3)(C)(i)” and “258B(h)(3)”, respectively,
12 and strike “and 314(e)” and insert “314(e), and
13 314(f)”.

14 (17) In section 904(d)(3), strike
15 “258A(b)(3)(C)(I)” and “258(h)(3)” and insert
16 “258A(b)(3)(C)(i)” and “258B(h)(3)”, respectively,
17 and strike “and 312(c)” and insert “312(c), 314(e),
18 and 314(f)”.

19 **TITLE II—PREVENTION OF** 20 **WASTE, FRAUD, AND ABUSE**

21 **SEC. 201. IMPROVING THE COLLECTION OF UNEMPLOY-** 22 **MENT INSURANCE OVERPAYMENTS.**

23 (a) IN GENERAL.—Section 303 of the Social Security
24 Act (42 U.S.C. 503) is amended by adding at the end the
25 following:

1 “(m) In the case of a covered unemployment com-
2 pensation debt (as defined under section 6402(f)(4) of the
3 Internal Revenue Code of 1986) that remains uncollected
4 as of the date that is 1 year after the debt was finally
5 determined to be due and collected, the State to which
6 such debt is owed shall take action to recover such debt
7 under section 6402(f) of the Internal Revenue Code of
8 1986.”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) shall take effect upon the date of enactment
11 of this Act.

12 **SEC. 202. STRENGTHENING MEDICAID THIRD-PARTY LI-**
13 **ABILITY.**

14 (a) PAYMENT FOR PRENATAL AND PREVENTIVE PE-
15 DIATRIC CARE AND IN CASES INVOLVING MEDICAL SUP-
16 PORT.—Section 1902(a)(25) of the Social Security Act
17 (42 U.S.C. 1396a(a)(25)) is amended—

18 (1) in subparagraph (E)(i), by inserting before
19 the semicolon at the end the following: “, except that
20 the State may, if the State determines doing so is
21 cost-effective and will not adversely affect access to
22 care, only make such payment if a third party so lia-
23 ble has not made payment within 90 days after the
24 date the provider of such services has initially sub-

1 mitted a claim to such third party for payment for
2 such services”; and

3 (2) in subparagraph (F)(i), by striking “30
4 days after such services are furnished” and inserting
5 “90 days after the date the provider of such services
6 has initially submitted a claim to such third party
7 for payment for such services, except that the State
8 may make such payment within 30 days after such
9 date if the State determines doing so is cost-effective
10 and necessary to ensure access to care.”.

11 **(b) RECOVERY OF MEDICAID EXPENDITURES FROM**
12 **BENEFICIARY LIABILITY SETTLEMENTS.—**

13 (1) **STATE PLAN REQUIREMENTS.—**Section
14 1902(a)(25) of the Social Security Act (42 U.S.C.
15 1396a(a)(25)) is amended—

16 (A) in subparagraph (B), by striking “to
17 the extent of such legal liability”; and

18 (B) in subparagraph (H), by striking
19 “payment by any other party for such health
20 care items or services” and inserting “any pay-
21 ments by such third party”.

22 (2) **ASSIGNMENT OF RIGHTS OF PAYMENT.—**
23 Section 1912(a)(1)(A) of such Act (42 U.S.C.
24 1396k(a)(1)(A)) is amended by striking “payment
25 for medical care from any third party” and inserting

1 “any payment from a third party that has a legal
2 liability to pay for care and services available under
3 the plan”.

4 (3) LIENS.—Section 1917(a)(1)(A) of such Act
5 (42 U.S.C. 1396p(a)(1)(A)) is amended to read as
6 follows:

7 “(A) pursuant to—

8 “(i) the judgment of a court on account of
9 benefits incorrectly paid on behalf of such indi-
10 vidual, or

11 “(ii) rights acquired by or assigned to the
12 State in accordance with section
13 1902(a)(25)(H) or section 1912(a)(1)(A), or”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall take effect on October 1, 2014.

16 **SEC. 203. RESTRICTION ON ACCESS TO THE DEATH MASTER**
17 **FILE.**

18 (a) IN GENERAL.—The Secretary of Commerce shall
19 not disclose to any person information contained on the
20 Death Master File with respect to any deceased individual
21 at any time during the 3-calendar-year period beginning
22 on the date of the individual’s death, unless such person
23 is certified under the program established under sub-
24 section (b).

25 (b) CERTIFICATION PROGRAM.—

1 (1) IN GENERAL.—The Secretary of Commerce
2 shall establish a program—

3 (A) to certify persons who are eligible to
4 access the information described in subsection
5 (a) contained on the Death Master File, and

6 (B) to perform periodic and unscheduled
7 audits of certified persons to determine the
8 compliance by such certified persons with the
9 requirements of the program.

10 (2) CERTIFICATION.—A person shall not be cer-
11 tified under the program established under para-
12 graph (1) unless such person certifies that access to
13 the information described in subsection (a) is appro-
14 priate because such person—

15 (A) has—

16 (i) a legitimate fraud prevention inter-
17 est, or

18 (ii) a legitimate business purpose pur-
19 suant to a law, governmental rule, regula-
20 tion, or fiduciary duty, and

21 (B) has systems, facilities, and procedures
22 in place to safeguard such information, and ex-
23 perience in maintaining the confidentiality, se-
24 curity, and appropriate use of such information,
25 pursuant to requirements similar to the require-

1 ments of section 6103(p)(4) of the Internal
2 Revenue Code of 1986, and

3 (C) agrees to satisfy the requirements of
4 such section 6103(p)(4) as if such section ap-
5 plied to such person.

6 (3) FEES.—

7 (A) IN GENERAL.—The Secretary of Com-
8 merce shall establish under section 9701 of title
9 31, United States Code, a program for the
10 charge of fees sufficient to cover (but not to ex-
11 ceed) all costs associated with evaluating appli-
12 cations for certification and auditing, inspect-
13 ing, and monitoring certified persons under the
14 program. Any fees so collected shall be depos-
15 ited and credited as offsetting collections to the
16 accounts from which such costs are paid.

17 (B) REPORT.—The Secretary of Commerce
18 shall report on an annual basis to the Com-
19 mittee on Finance of the Senate and the Com-
20 mittee on Ways and Means of the House of
21 Representatives on the total fees collected dur-
22 ing the preceding year and the cost of admin-
23 istering the certification program under this
24 subsection for such year.

25 (c) IMPOSITION OF PENALTY.—

1 (1) IN GENERAL.—Any person who is certified
2 under the program established under subsection (b),
3 who receives information described in subsection (a),
4 and who during the period of time described in sub-
5 section (a)—

6 (A) discloses such information to any per-
7 son other than a person who meets the require-
8 ments of subparagraphs (A), (B), and (C) of
9 subsection (b)(2),

10 (B) discloses such information to any per-
11 son who uses the information for any purpose
12 not listed under subsection (b)(2)(A) or who
13 further discloses the information to a person
14 who does not meet such requirements, or

15 (C) uses any such information for any pur-
16 pose not listed under subsection (b)(2)(A),
17 and any person to whom such information is dis-
18 closed who further discloses or uses such informa-
19 tion as described in the preceding subparagraphs,
20 shall pay a penalty of \$1,000 for each such disclo-
21 sure or use.

22 (2) LIMITATION ON PENALTY.—

23 (A) IN GENERAL.—The total amount of
24 the penalty imposed under this subsection on

1 any person for any calendar year shall not ex-
2 ceed \$250,000.

3 (B) EXCEPTION FOR WILLFUL VIOLA-
4 TIONS.—Subparagraph (A) shall not apply in
5 the case of violations under paragraph (1) that
6 the Secretary of Commerce determines to be
7 willful or intentional violations.

8 (d) DEATH MASTER FILE.—For purposes of this sec-
9 tion, the term “Death Master File” means information on
10 the name, social security account number, date of birth,
11 and date of death of deceased individuals maintained by
12 the Commissioner of Social Security, other than informa-
13 tion that was provided to such Commissioner under sec-
14 tion 205(r) of the Social Security Act (42 U.S.C. 405(r)).

15 (e) EXEMPTION FROM FREEDOM OF INFORMATION
16 ACT REQUIREMENT WITH RESPECT TO CERTAIN
17 RECORDS OF DECEASED INDIVIDUALS.—

18 (1) IN GENERAL.—No Federal agency shall be
19 compelled to disclose the information described in
20 subsection (a) to any person who is not certified
21 under the program established under subsection (b).

22 (2) TREATMENT OF INFORMATION.—For pur-
23 poses of section 552 of title 5, United States Code,
24 this section shall be considered a statute described
25 in subsection (b)(3) of such section 552.

1 (f) EFFECTIVE DATE.—

2 (1) IN GENERAL.—Except as provided in para-
3 graph (2), this section shall take effect on the date
4 that is 90 days after the date of the enactment of
5 this Act.

6 (2) FOIA EXEMPTION.—Subsection (e) shall
7 take effect on the date of the enactment of this Act.

8 **SEC. 204. IDENTIFICATION OF INMATES REQUESTING OR**
9 **RECEIVING IMPROPER PAYMENTS.**

10 (a) INFORMATION PROVIDED TO THE PRISONER UP-
11 DATE PROCESSING SYSTEM (PUPS).—

12 (1) SECTION 202(x)(3)(B)(i)(I).—Section
13 202(x)(3)(B)(i)(I) of the Social Security Act (42
14 U.S.C. 402(x)(3)(B)(i)(I)) is amended by—

15 (A) inserting “first, middle, and last” be-
16 fore “names”;

17 (B) striking the comma after the words
18 “social security account numbers” and inserting
19 “or taxpayer identification numbers, prison as-
20 signed inmate numbers, last known addresses,”;

21 (C) inserting “dates of release or antici-
22 pated dates of release, dates of work release,”
23 before “and, to the extent available”; and

24 (D) by inserting “and clause (iv) of this
25 subparagraph” after “paragraph (1)”.

1 (2) SECTION 1611(e)(1)(I)(i)(I).—Section
2 1611(e)(1)(I)(i)(I) of the Social Security Act (42
3 U.S.C. 1382(e)(1)(I)(i)(I)) is amended by—

4 (A) inserting “first, middle, and last” be-
5 fore “names”;

6 (B) striking the comma after the words
7 “social security account numbers” and inserting
8 “or taxpayer identification numbers, prison as-
9 signed inmate numbers, last known addresses,”;

10 (C) inserting “dates of release or antici-
11 pated dates of release, dates of work release,”
12 before “and, to the extent available”; and

13 (D) by inserting “and clause (iv) of this
14 subparagraph” after “this paragraph”.

15 (b) AUTHORITY OF SECRETARY OF THE TREASURY
16 TO ACCESS PUPS.—

17 (1) SECTION 202(x)(3)(B).—Section
18 202(x)(3)(B) of the Social Security Act (42 U.S.C.
19 402(x)(3)(B)) is amended—

20 (A) in clause (iv), by inserting before the
21 period the following: “, for statistical and re-
22 search activities conducted by Federal and
23 State agencies, and to the Secretary of the
24 Treasury for the purposes of tax administra-
25 tion, debt collection, and identifying, pre-

1 venting, and recovering improper payments
2 under federally funded programs”; and

3 (B) by adding at the end the following:

4 “(v)(I) The Commissioner may disclose information
5 received pursuant to this paragraph to any officer, em-
6 ployee, agent, or contractor of the Department of the
7 Treasury whose official duties require such information to
8 assist in the identification, prevention, and recovery of im-
9 proper payments or in the collection of delinquent debts
10 owed to the United States, including payments certified
11 by the head of an executive, judicial, or legislative paying
12 agency, and payments made to individuals whose eligi-
13 bility, or continuing eligibility, to participate in a Federal
14 program (including those administered by a State or polit-
15 ical subdivision thereof) is being reviewed.

16 “(II) Notwithstanding the provisions of section 552a
17 of title 5, United States Code, or any other provision of
18 Federal or State law, the Secretary of the Treasury may
19 compare information disclosed under subclause (I) with
20 any other personally identifiable information derived from
21 a Federal system of records or similar records maintained
22 by a Federal contractor, a Federal grantee, or an entity
23 administering a Federal program or activity, and may re-
24 disclose such comparison of information to any paying or
25 administering agency and to the head of the Federal Bu-

1 reau of Prisons and the head of any State agency charged
2 with the administration of prisons with respect to inmates
3 whom the Secretary of the Treasury has determined may
4 have been issued, or facilitated in the issuance of, an im-
5 proper payment.

6 “(III) The comparison of information disclosed under
7 subclause (I) shall not be considered a matching program
8 for purposes of section 552a of title 5, United States
9 Code.”.

10 (2) SECTION 1611(e)(1)(I).—Section
11 1611(e)(1)(I) of the Social Security Act (42 U.S.C.
12 1382(e)(1)(I)) is amended—

13 (A) in clause (iii), by inserting before the
14 period the following: “, for statistical and re-
15 search activities conducted by Federal and
16 State agencies, and to the Secretary of the
17 Treasury for the purposes of tax administra-
18 tion, debt collection, and identifying, pre-
19 venting, and recovering improper payments
20 under federally funded programs”; and

21 (B) by adding at the end the following:

22 “(v)(I) The Commissioner may disclose information
23 received pursuant to this paragraph to any officer, em-
24 ployee, agent, or contractor of the Department of the
25 Treasury whose official duties require such information to

1 assist in the identification, prevention, and recovery of im-
2 proper payments or in the collection of delinquent debts
3 owed to the United States, including payments certified
4 by the head of an executive, judicial, or legislative paying
5 agency, and payments made to individuals whose eligi-
6 bility, or continuing eligibility, to participate in a Federal
7 program (including those administered by a State or polit-
8 ical subdivision thereof) is being reviewed.

9 “(II) Notwithstanding the provisions of section 552a
10 of title 5, United States Code, or any other provision of
11 Federal or State law, the Secretary of the Treasury may
12 compare information disclosed under subclause (I) with
13 any other personally identifiable information derived from
14 a Federal system of records or similar records maintained
15 by a Federal contractor, a Federal grantee, or an entity
16 administering a Federal program or activity and may re-
17 disclose such comparison of information to any paying or
18 administering agency and to the head of the Federal Bu-
19 reau of Prisons and the head of any State agency charged
20 with the administration of prisons with respect to inmates
21 whom the Secretary of the Treasury has determined may
22 have been issued, or facilitated in the issuance of, an im-
23 proper payment.

24 “(III) The comparison of information disclosed under
25 subclause (I) shall not be considered a matching program

1 for purposes of section 552a of title 5, United States
2 Code.”.

3 (c) CONFORMING AMENDMENT TO THE DO NOT PAY
4 INITIATIVE.—Section 5(a)(2) of the Improper Payments
5 Elimination and Recovery Improvement Act of 2012 (31
6 U.S.C. 3321 note) is amended by adding at the end the
7 following:

8 (F) Information regarding incarcerated
9 individuals maintained by the Commissioner of
10 Social Security under sections 202(x) and
11 1611(e) of the Social Security Act.”.

12 **TITLE III—NATURAL**
13 **RESOURCES**

14 **SEC. 301. ULTRA-DEEPWATER AND UNCONVENTIONAL NAT-**
15 **URAL GAS AND OTHER PETROLEUM RE-**
16 **SOURCES.**

17 (a) REPEAL.—Subtitle J of title IX of the Energy
18 Policy Act of 2005 (42 U.S.C. 16371 et seq.) is repealed.

19 (b) RESCISSION.—Any unobligated funds appro-
20 priated for carrying out the subtitle repealed by subsection
21 (a) are rescinded.

22 **SEC. 302. AMENDMENT TO THE MINERAL LEASING ACT.**

23 Section 35(b) of the Mineral Leasing Act (30 U.S.C.
24 191(b)) is amended to read as follows—

1 “(b) DEDUCTION FOR ADMINISTRATIVE COSTS.—In
2 determining the amount of payments to the States under
3 this section, beginning in fiscal year 2014 and for each
4 year thereafter, the amount of such payments shall be re-
5 duced by 2 percent for any administrative or other costs
6 incurred by the United States in carrying out the program
7 authorized by this Act, and the amount of such reduction
8 shall be deposited to miscellaneous receipts of the Treas-
9 ury.”.

10 **SEC. 303. APPROVAL OF AGREEMENT WITH MEXICO.**

11 The Agreement between the United States of Amer-
12 ica and the United Mexican States Concerning Trans-
13 boundary Hydrocarbon Reservoirs in the Gulf of Mexico,
14 signed at Los Cabos, February 20, 2012, is hereby ap-
15 proved.

16 **SEC. 304. AMENDMENT TO THE OUTER CONTINENTAL**
17 **SHELF LANDS ACT.**

18 The Outer Continental Shelf Lands Act (43 U.S.C.
19 1331 et seq.) is amended by adding at the end the fol-
20 lowing:

21 **“SEC. 32. TRANSBOUNDARY HYDROCARBON AGREEMENTS.**

22 “(a) AUTHORIZATION.—After the date of enactment
23 of the Bipartisan Budget Act of 2013, the Secretary may
24 implement the terms of any transboundary hydrocarbon
25 agreement for the management of transboundary hydro-

1 carbon reservoirs entered into by the President and ap-
2 proved by Congress. In implementing such an agreement,
3 the Secretary shall protect the interests of the United
4 States to promote domestic job creation and ensure the
5 expeditious and orderly development and conservation of
6 domestic mineral resources in accordance with all applica-
7 ble United States laws governing the exploration, develop-
8 ment, and production of hydrocarbon resources on the
9 Outer Continental Shelf.

10 “(b) SUBMISSION TO CONGRESS.—

11 “(1) IN GENERAL.—No later than 180 days
12 after all parties to a transboundary hydrocarbon
13 agreement have agreed to its terms, a transboundary
14 hydrocarbon agreement that does not constitute a
15 treaty in the judgment of the President shall be sub-
16 mitted by the Secretary to—

17 “(A) the Speaker of the House of Rep-
18 resentatives;

19 “(B) the Majority Leader of the Senate;

20 “(C) the Chair of the Committee on Nat-
21 ural Resources of the House of Representatives;
22 and

23 “(D) the Chair of the Committee on En-
24 ergy and Natural Resources of the Senate.

1 “(2) CONTENTS OF SUBMISSION.—The submis-
2 sion shall include—

3 “(A) any amendments to this Act or other
4 Federal law necessary to implement the agree-
5 ment;

6 “(B) an analysis of the economic impacts
7 such agreement and any amendments neces-
8 sitated by the agreement will have on domestic
9 exploration, development, and production of hy-
10 drocarbon resources on the Outer Continental
11 Shelf; and

12 “(C) a detailed description of any regula-
13 tions expected to be issued by the Secretary to
14 implement the agreement.

15 “(c) IMPLEMENTATION OF SPECIFIC TRANSBOUND-
16 ARY AGREEMENT WITH MEXICO.—The Secretary may
17 take actions as necessary to implement the terms of the
18 Agreement between the United States of America and the
19 United Mexican States Concerning Transboundary Hydro-
20 carbon Reservoirs in the Gulf of Mexico, signed at Los
21 Cabos, February 20, 2012, including—

22 “(1) approving unitization agreements and re-
23 lated arrangements for the exploration, development,
24 or production of oil and natural gas from trans-
25 boundary reservoirs or geological structures;

1 “(2) making available, in the limited manner
2 necessary under the agreement and subject to the
3 protections of confidentiality provided by the agree-
4 ment, information relating to the exploration, devel-
5 opment, and production of oil and natural gas from
6 a transboundary reservoir or geological structure
7 that may be considered confidential, privileged, or
8 proprietary information under law;

9 “(3) taking actions consistent with an expert
10 determination under the agreement; and

11 “(4) ensuring only appropriate inspection staff
12 at the Bureau of Safety and Environmental Enforce-
13 ment or other Federal agency personnel designated
14 by the Bureau, the operator, or the lessee have au-
15 thority to stop work on any installation or other de-
16 vice or vessel permanently or temporarily attached to
17 the seabed of the United States that may be erected
18 thereon for the purpose of resource exploration, de-
19 velopment or production activities as approved by
20 the Secretary.

21 “(d) SAVINGS PROVISIONS.—Nothing in this section
22 shall be construed—

23 “(1) to authorize the Secretary to participate in
24 any negotiations, conferences, or consultations with
25 Cuba regarding exploration, development, or produc-

1 tion of hydrocarbon resources in the Gulf of Mexico
2 along the United States maritime border with Cuba
3 or the area known by the Department of the Interior
4 as the ‘Eastern Gap’; or

5 “(2) as affecting the sovereign rights and the
6 jurisdiction that the United States has under inter-
7 national law over the Outer Continental Shelf that
8 appertains to it.”.

9 **SEC. 305. FEDERAL OIL AND GAS ROYALTY PREPAYMENT**
10 **CAP.**

11 (a) **IN GENERAL.**—Section 111(i) of the Federal Oil
12 and Gas Royalty Management Act of 1982 (30 U.S.C.
13 1721(i)) is amended by striking “(i) Upon” and all that
14 follows through “For purposes” and inserting the fol-
15 lowing:

16 “(i) **LIMITATION ON INTEREST.**—

17 “(1) **IN GENERAL.**—Interest shall not be paid
18 on any excessive overpayment.

19 “(2) **EXCESSIVE OVERPAYMENT DEFINED.**—
20 For purposes”.

21 (b) **EFFECTIVE DATE.**—The amendment made by
22 subsection (a) shall take effect on July 1, 2014.

23 **SEC. 306. STRATEGIC PETROLEUM RESERVE.**

24 (a) **REPEAL OF AUTHORITY TO ACQUIRE IN-KIND**
25 **ROYALTY CRUDE OIL.**—Section 160(a) of the Energy Pol-

1 icy and Conservation Act (42 U.S.C. 6240(a)) is amended
2 to read as follows:

3 “(a) The Secretary may acquire, place in storage,
4 transport, or exchange petroleum products acquired by
5 purchase or exchange.”.

6 (b) RESCISSION OF FUNDS.—Any unobligated bal-
7 ances available in the SPR Petroleum Account in the
8 Treasury on the date of enactment of this section are per-
9 manently rescinded.

10 **TITLE IV—FEDERAL CIVILIAN**
11 **AND MILITARY RETIREMENT**

12 **SEC. 401. INCREASE IN CONTRIBUTIONS TO FEDERAL EM-**
13 **PLOYEES’ RETIREMENT SYSTEM FOR NEW**
14 **EMPLOYEES.**

15 (a) DEFINITION.—

16 (1) IN GENERAL.—Section 8401 of title 5,
17 United States Code, is amended—

18 (A) in paragraph (36), by striking “and”
19 at the end;

20 (B) in paragraph (37), by striking the pe-
21 riod and inserting “; and”; and

22 (C) by adding at the end the following:

23 “(38) the term ‘further revised annuity em-
24 ployee’ means any individual who—

25 “(A) on December 31, 2013—

1 “(i) is not an employee or Member
2 covered under this chapter;

3 “(ii) is not performing civilian service
4 which is creditable service under section
5 8411; and

6 “(iii) has less than 5 years of cred-
7 itable civilian service under section 8411;
8 and

9 “(B) after December 31, 2013, becomes
10 employed as an employee or becomes a Member
11 covered under this chapter performing service
12 which is creditable service under section 8411.”.

13 (2) TECHNICAL AMENDMENT.—Section
14 8401(37)(B) of title 5, United States Code, is
15 amended by inserting “and before January 1,
16 2014,” after “after December 31, 2012,”.

17 (b) INCREASE IN INDIVIDUAL CONTRIBUTIONS.—
18 Section 8422(a)(3) of title 5, United States Code, is
19 amended—

20 (1) in subparagraph (A), by inserting “or fur-
21 ther revised annuity employees” after “revised annu-
22 ity employees”; and

23 (2) by adding at the end the following:

1 “(C) The applicable percentage under this paragraph
 2 for civilian service by further revised annuity employees
 3 shall be as follows:

“Employee	10.6	After December 31, 2013.
Congressional em- ployee	10.6	After December 31, 2013.
Member	10.6	After December 31, 2013.
Law enforcement offi- cer, firefighter, member of the Cap- itol Police, member of the Supreme Court Police, or air traffic controller	11.1	After December 31, 2013.
Nuclear materials courier	11.1	After December 31, 2013.
Customs and border protection officer ...	11.1	After December 31, 2013.”.

4 (c) GOVERNMENT CONTRIBUTIONS.—Section
 5 8423(a)(2) of title 5, United States Code, is amended—

6 (1) by striking “(2)” and inserting “(2)(A)”;
 7 and

8 (2) by adding at the end the following:

9 “(B)(i) Subject to clauses (ii) and (iii), for purposes
 10 of any period in any year beginning after December 31,
 11 2013, the normal-cost percentage under this subsection
 12 shall be determined and applied as if section 401(b) of
 13 the Bipartisan Budget Act of 2013 had not been enacted.

14 “(ii) Any contributions under this subsection in ex-
 15 cess of the amounts which (but for clause (i)) would other-
 16 wise have been payable shall be applied toward reducing
 17 the unfunded liability of the Civil Service Retirement Sys-
 18 tem.

1 “(iii) After the unfunded liability of the Civil Service
2 Retirement System has been eliminated, as determined by
3 the Office, Government contributions under this sub-
4 section shall be determined and made disregarding this
5 subparagraph.

6 “(iv) The preceding provisions of this subparagraph
7 shall be disregarded for purposes of determining the con-
8 tributions payable by the United States Postal Service and
9 the Postal Regulatory Commission.”.

10 (d) ANNUITY CALCULATION.—Section 8415(d) of
11 title 5, United States Code, is amended by inserting “or
12 a further revised annuity employee” after “a revised annu-
13 ity employee”.

14 **SEC. 402. FOREIGN SERVICE PENSION SYSTEM.**

15 (a) DEFINITION.—

16 (1) IN GENERAL.—Section 852 of the Foreign
17 Service Act of 1980 (22 U.S.C. 4071a) is amend-
18 ed—

19 (A) by redesignating paragraphs (8), (9),
20 and (10) as paragraphs (9), (10), and (11), re-
21 spectively; and

22 (B) by inserting after paragraph (7) the
23 following:

24 “(8) the term ‘further revised annuity partici-
25 pant’ means any individual who—

1 “(A) on December 31, 2013—
2 “(i) is not a participant;
3 “(ii) is not performing service which is
4 creditable service under section 854; and
5 “(iii) has less than 5 years creditable
6 service under section 854; and
7 “(B) after December 31, 2013, becomes a
8 participant performing service which is cred-
9 itable service under section 854;”.

10 (2) TECHNICAL AMENDMENT.—Section
11 852(7)(B) of the Foreign Service Act of 1980 (22
12 U.S.C. 4071a(7)(B)) is amended by inserting “and
13 before January 1, 2014,” after “after December 31,
14 2012,”.

15 (b) DEDUCTIONS AND WITHHOLDINGS FROM PAY.—
16 Section 856(a)(2) of the Foreign Service Act of 1980 (22
17 U.S.C. 4071e(a)(2)) is amended—

18 (1) in subparagraph (A), by inserting “or a fur-
19 ther revised annuity participant” after “revised an-
20 nuity participant”; and

21 (2) by adding at the end the following:
22 “(C) The applicable percentage for a further revised
23 annuity participant shall be as follows:

“11.15 After December 31, 2013.”.

1 (c) GOVERNMENT CONTRIBUTIONS.—Section 857 of
2 the Foreign Service Act of 1980 (22 U.S.C. 4071f) is
3 amended by adding at the end the following:

4 “(c)(1) Subject to paragraphs (2) and (3), for pur-
5 poses of any period in any year beginning after December
6 31, 2013, the normal-cost percentage under this section
7 shall be determined and applied as if section 402(b) of
8 the Bipartisan Budget Act of 2013 had not been enacted.

9 “(2) Any contributions under this section in excess
10 of the amounts which (but for paragraph (1)) would other-
11 wise have been payable shall be applied toward reducing
12 the unfunded liability of the Foreign Service Retirement
13 and Disability System.

14 “(3) After the unfunded liability of the Foreign Serv-
15 ice Retirement and Disability System has been eliminated,
16 as determined by the Secretary of State, Government con-
17 tributions under this section shall be determined and made
18 disregarding this subsection.”.

19 **SEC. 403. ANNUAL ADJUSTMENT OF RETIRED PAY AND RE-**
20 **TAINER PAY AMOUNTS FOR RETIRED MEM-**
21 **BERS OF THE ARMED FORCES UNDER AGE 62.**

22 (a) CPI MINUS ONE PERCENT.—Section 1401a(b) of
23 title 10, United States Code, is amended—

1 (1) in paragraph (1), by striking “paragraphs
2 (2) and (3)” and inserting “paragraph (2), (3), or
3 (4)”;

4 (2) by redesignating paragraphs (4) and (5) as
5 paragraphs (5) and (6), respectively; and

6 (3) by inserting after paragraph (3) the fol-
7 lowing new paragraph (4):

8 “(4) REDUCED PERCENTAGE FOR RETIRED
9 MEMBERS UNDER AGE 62.—

10 “(A) IN GENERAL.—Effective on Decem-
11 ber 1 of each year, the retired pay of each
12 member and former member under 62 years of
13 age entitled to that pay shall be adjusted in ac-
14 cordance with this paragraph instead of para-
15 graph (2) or (3).

16 “(B) CPI MINUS ONE.—If the percent de-
17 termined under paragraph (2) is greater than 1
18 percent, the Secretary shall increase the retired
19 pay of each member and former member by the
20 difference between—

21 “(i) the percent determined under
22 paragraph (2); and

23 “(ii) 1 percent.

24 “(C) NO NEGATIVE ADJUSTMENT.—If the
25 percent determined under paragraph (2) is

1 equal to or less than 1 percent, the Secretary
2 shall not increase the retired pay of members
3 and former members under this paragraph.

4 “(D) REVISED ADJUSTMENT UPON REACH-
5 ING AGE 62.—When a member or former mem-
6 ber whose retired pay has been subject to ad-
7 justment under this paragraph becomes 62
8 years of age, the Secretary of Defense shall re-
9 compute the retired pay of the member or
10 former member, to be effective on the date of
11 the next adjustment of retired pay under this
12 subsection, so as to be the amount equal to the
13 amount of retired pay to which the member or
14 former member would be entitled on that date
15 if increases in the retired pay of the member or
16 former member had been computed as provided
17 in paragraph (2) or as specified in section 1410
18 of this title, as applicable, rather than this
19 paragraph.

20 “(E) INAPPLICABILITY OF CATCH-UP
21 RULE.—Paragraph (5) shall not apply in the
22 case of adjustments made, or not made, as a re-
23 sult of application of this paragraph.”.

24 (b) RESTORAL OF FULL RETIREMENT AMOUNT AT
25 AGE 62.—Section 1410(1) of title 10, United States Code,

1 is amended by striking “paragraph (3)” and inserting
2 “paragraph (3) or (4)”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 subsections (a) and (b) shall take effect on December 1,
5 2015.

6 **TITLE V—HIGHER EDUCATION**

7 **SEC. 501. DEFAULT REDUCTION PROGRAM.**

8 Section 428F(a)(1) of the Higher Education Act of
9 1965 (20 U.S.C. 1078-6(a)(1)) is amended—

10 (1) in subparagraph (A), by striking clause (ii)
11 and inserting the following:

12 “(ii) beginning July 1, 2014, assign
13 the loan to the Secretary if the guaranty
14 agency has been unable to sell the loan
15 under clause (i).”; and

16 (2) in subparagraph (D), by striking clause (i)
17 and inserting the following:

18 “(i) the guaranty agency—

19 “(I) shall, in the case of a sale
20 made on or after July 1, 2014, repay
21 the Secretary 100 percent of the
22 amount of the principal balance out-
23 standing at the time of such sale,
24 multiplied by the reinsurance percent-
25 age in effect when payment under the

1 guaranty agreement was made with
2 respect to the loan; and

3 “(II) may, in the case of a sale
4 made on or after July 1, 2014, in
5 order to defray collection costs—

6 “(aa) charge to the borrower
7 an amount not to exceed 16 per-
8 cent of the outstanding principal
9 and interest at the time of the
10 loan sale; and

11 “(bb) retain such amount
12 from the proceeds of the loan
13 sale; and”.

14 **SEC. 502. ELIMINATION OF NONPROFIT SERVICING CON-**
15 **TRACTS.**

16 The Higher Education Act of 1965 (20 U.S.C. 1001
17 et seq.) is amended—

18 (1) in section 456 (20 U.S.C. 1087f)—

19 (A) in subsection (a), by striking para-
20 graph (4); and

21 (B) by striking subsection (c); and

22 (2) in section 458(a) (20 U.S.C. 1087h(a)), by
23 striking paragraph (2).

1 **TITLE VI—TRANSPORTATION**

2 **SEC. 601. AVIATION SECURITY SERVICE FEES.**

3 (a) AIR CARRIER FEES.—

4 (1) REPEAL.—Section 44940(a)(2) of title 49,
5 United States Code, is repealed.

6 (2) CONFORMING AMENDMENT.—Section
7 44940(d)(1) of such title is amended by striking “,
8 and may impose a fee under subsection (a)(2),”.

9 (3) EFFECTIVE DATE.—The repeal made by
10 paragraph (1) and the amendment made by para-
11 graph (2) shall each take effect on October 1, 2014.

12 (b) RESTRUCTURING OF PASSENGER FEE.—Section
13 44940(c) of such title is amended to read as follows:

14 “(c) LIMITATION ON FEE.—Fees imposed under sub-
15 section (a)(1) shall be \$5.60 per one-way trip in air trans-
16 portation or intrastate air transportation that originates
17 at an airport in the United States.”.

18 (c) DEPOSIT OF RECEIPTS IN GENERAL FUND.—
19 Section 44940(i) of such title is amended to read as fol-
20 lows:

21 “(i) DEPOSIT OF RECEIPTS IN GENERAL FUND.—

22 “(1) IN GENERAL.—Beginning in fiscal year
23 2014, out of fees received in a fiscal year under sub-
24 section (a)(1), after amounts are made available in
25 the fiscal year under section 44923(h), the next

1 funds derived from such fees in the fiscal year, in
2 the amount specified for the fiscal year in paragraph
3 (4), shall be credited as offsetting receipts and de-
4 posited in the general fund of the Treasury.

5 “(2) FEE LEVELS.—The Secretary of Home-
6 land Security shall impose the fee authorized by sub-
7 section (a)(1) so as to collect in a fiscal year at least
8 the amount specified in paragraph (4) for the fiscal
9 year for making deposits under paragraph (1).

10 “(3) RELATIONSHIP TO OTHER PROVISIONS.—
11 Subsections (b) and (f) shall not apply to amounts
12 to be used for making deposits under this sub-
13 section.

14 “(4) FISCAL YEAR AMOUNTS.—For purposes of
15 paragraphs (1) and (2), the fiscal year amounts are
16 as follows:

17 “(A) \$390,000,000 for fiscal year 2014.

18 “(B) \$1,190,000,000 for fiscal year 2015.

19 “(C) \$1,250,000,000 for fiscal year 2016.

20 “(D) \$1,280,000,000 for fiscal year 2017.

21 “(E) \$1,320,000,000 for fiscal year 2018.

22 “(F) \$1,360,000,000 for fiscal year 2019.

23 “(G) \$1,400,000,000 for fiscal year 2020.

24 “(H) \$1,440,000,000 for fiscal year 2021.

25 “(I) \$1,480,000,000 for fiscal year 2022.

1 “(J) \$1,520,000,000 for fiscal year
2 2023.”.

3 (d) IMPOSITION OF FEE INCREASE.—The Secretary
4 of Homeland Security shall implement the fee increase au-
5 thorized by the amendment made by subsection (b)—

6 (1) beginning on July 1, 2014; and

7 (2) through the publication of notice of such fee
8 in the Federal Register, notwithstanding section
9 9701 of title 31, United States Code, and the proce-
10 dural requirements of section 553 of title 5, United
11 States Code.

12 (e) CONTINUED AVAILABILITY OF EXISTING BAL-
13 ANCES.—The amendments made by this section shall not
14 affect the availability of funds made available under sec-
15 tion 44940(i) of title 49, United States Code, before the
16 date of enactment of this Act.

17 **SEC. 602. TRANSPORTATION COST REIMBURSEMENT.**

18 (a) REPEAL.—Sections 55316 and 55317 of chapter
19 553 of title 46, United States Code, are repealed.

20 (b) TABLE OF SECTIONS AMENDMENT.—The table of
21 sections at the beginning of chapter 553 of title 46, United
22 States Code, is amended by striking the items relating to
23 section 55316 and 55317.

1 **SEC. 603. STERILE AREAS AT AIRPORTS.**

2 Section 44903 of title 49, United States Code, is
3 amended by adding at the end the following:

4 “(n) PASSENGER EXIT POINTS FROM STERILE
5 AREA.—

6 “(1) IN GENERAL.—The Secretary of Homeland
7 Security shall ensure that the Transportation Secu-
8 rity Administration is responsible for monitoring
9 passenger exit points from the sterile area of air-
10 ports at which the Transportation Security Adminis-
11 tration provided such monitoring as of December 1,
12 2013.

13 “(2) STERILE AREA DEFINED.—In this section,
14 the term ‘sterile area’ has the meaning given that
15 term in section 1540.5 of title 49, Code of Federal
16 Regulations (or any corresponding similar regulation
17 or ruling).”.

18 **TITLE VII—MISCELLANEOUS**
19 **PROVISIONS**

20 **SEC. 701. EXTENSION OF CUSTOMS USER FEES.**

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

24 (1) in subparagraph (A), by striking “October
25 22, 2021” and inserting “September 30, 2023”; and

1 (2) in subparagraph (B)(i), by striking “Octo-
2 ber 29, 2021” and inserting “September 30, 2023”.

3 **SEC. 702. LIMITATION ON ALLOWABLE GOVERNMENT CON-**
4 **TRACTOR COMPENSATION COSTS.**

5 (a) **LIMITATION.—**

6 (1) **CIVILIAN CONTRACTS.—**Section
7 4304(a)(16) of title 41, United States Code, is
8 amended to read as follows:

9 “(16) Costs of compensation of contractor and
10 subcontractor employees for a fiscal year, regardless
11 of the contract funding source, to the extent that
12 such compensation exceeds \$487,000 per year, ad-
13 justed annually to reflect the change in the Employ-
14 ment Cost Index for all workers, as calculated by the
15 Bureau of Labor Statistics, except that the head of
16 an executive agency may establish one or more nar-
17 rowly targeted exceptions for scientists, engineers, or
18 other specialists upon a determination that such ex-
19 ceptions are needed to ensure that the executive
20 agency has continued access to needed skills and ca-
21 pabilities.”.

22 (2) **DEFENSE CONTRACTS.—**Section
23 2324(e)(1)(P) of title 10, United States Code, is
24 amended to read as follows:

1 “(P) Costs of compensation of contractor
2 and subcontractor employees for a fiscal year,
3 regardless of the contract funding source, to the
4 extent that such compensation exceeds
5 \$487,000 per year, adjusted annually to reflect
6 the change in the Employment Cost Index for
7 all workers, as calculated by the Bureau of
8 Labor Statistics, except that the head of an ex-
9 ecutive agency may establish one or more nar-
10 rowly targeted exceptions for scientists, engi-
11 neers, or other specialists upon a determination
12 that such exceptions are needed to ensure that
13 the executive agency has continued access to
14 needed skills and capabilities.”.

15 **(b) CONFORMING AMENDMENTS.—**

16 **(1) REPEAL.—**Section 1127 of title 41, United
17 States Code, is hereby repealed.

18 **(2) CLERICAL AMENDMENT.—**The table of sec-
19 tions at the beginning of chapter 11 of title 41,
20 United States Code, is amended by striking the item
21 relating to section 1127.

22 **(c) APPLICABILITY.—**This section and the amend-
23 ments made by this section shall apply only with respect
24 to costs of compensation incurred under contracts entered

1 into on or after the date that is 180 days after the date
2 of the enactment of this Act.

3 (d) REPORTS.—

4 (1) IN GENERAL.—Not later than 60 days after
5 the end of each fiscal year, the Director of the Office
6 of Management and Budget shall submit a report on
7 contractor compensation to—

8 (A) the Committee on Armed Services of
9 the Senate;

10 (B) the Committee on Armed Services of
11 the House of Representatives;

12 (C) the Committee on Homeland Security
13 and Governmental Affairs of the Senate;

14 (D) the Committee on Oversight and Gov-
15 ernment Reform of the House of Representa-
16 tives;

17 (E) the Committee on Appropriations of
18 the Senate; and

19 (F) the Committee on Appropriations of
20 the House of Representatives.

21 (2) ELEMENTS.—The report required under
22 paragraph (1) shall include—

23 (A) the total number of contractor employ-
24 ees, by executive agency, in the narrowly tar-

1 geted exception positions described under sub-
2 section (a) during the preceding fiscal year;

3 (B) the taxpayer-funded compensation
4 amounts received by each contractor employee
5 in a narrowly targeted exception position during
6 such fiscal year; and

7 (C) the duties and services performed by
8 contractor employees in the narrowly targeted
9 exception positions during such fiscal year.

10 (e) REVIEW.—Not later than 90 days after the date
11 of the enactment of this Act, the Secretary of Defense and
12 the Director of the Office of Management and Budget
13 shall report to Congress on alternative benchmarks and
14 industry standards for compensation, including whether
15 any such benchmarks or standards would provide a more
16 appropriate measure of allowable compensation for the
17 purposes of section 2324(e)(1)(P) of title 10, United
18 States Code, and section 4304(a)(16) of title 41, United
19 States Code, as amended by this Act.

20 **SEC. 703. PENSION BENEFIT GUARANTY CORPORATION**
21 **PREMIUM RATE INCREASES.**

22 (a) FLAT-RATE PREMIUM INCREASES.—Section
23 4006(a)(3)(A)(i) of the Employee Retirement Income Se-
24 curity Act of 1974 (29 U.S.C. 1306(a)(3)(A)(i)) is amend-
25 ed—

1 (1) in subclause (II), by striking “and” at the
2 end;

3 (2) in subclause (III), by inserting “and before
4 January 1, 2015,” after “December 31, 2013”; and

5 (3) by inserting after subclause (III) the fol-
6 lowing:

7 “(IV) for plan years beginning after De-
8 cember 31, 2014, and before January 1, 2016,
9 \$57; and

10 “(V) for plan years beginning after Decem-
11 ber 31, 2015, and before January 1, 2017,
12 \$64.”.

13 (b) FLAT-RATE PREMIUM RATE INDEXED TO
14 WAGES.—

15 (1) IN GENERAL.—Section 4006(a)(3) of such
16 Act (29 U.S.C. 1306(a)(3)) is amended—

17 (A) by redesignating subparagraphs (G)
18 through (J) as subparagraphs (H) through (K),
19 respectively; and

20 (B) by inserting after subparagraph (F)
21 the following:

22 “(G) For each plan year beginning in a calendar year
23 after 2016, there shall be substituted for the premium rate
24 specified in clause (i) of subparagraph (A) an amount
25 equal to the greater of—

1 “(i) the product derived by multiplying the pre-
2 mium rate specified in clause (i) of subparagraph
3 (A) by the ratio of—

4 “(I) the national average wage index (as
5 defined in section 209(k)(1) of the Social Secu-
6 rity Act) for the first of the 2 calendar years
7 preceding the calendar year in which such plan
8 year begins, to

9 “(II) the national average wage index (as
10 so defined) for 2014; and

11 “(ii) the premium rate in effect under clause (i)
12 of subparagraph (A) for plan years beginning in the
13 preceding calendar year.

14 If the amount determined under this subparagraph is not
15 a multiple of \$1, such product shall be rounded to the
16 nearest multiple of \$1.”.

17 (2) CONFORMING AMENDMENTS.—Section
18 4006(a)(3)(F) of such Act (29 U.S.C.
19 1306(a)(3)(F)) is amended—

20 (A) in the matter before clause (i), by in-
21 serting “and before 2013” after “after 2006”;
22 and

23 (B) in the flush text following clause (ii),
24 by striking the second sentence.

25 (c) VARIABLE RATE PREMIUM INCREASES.—

1 (1) IN GENERAL.—Section 4006(a)(8)(C) of
2 such Act (29 U.S.C. 1306(a)(8)(C)) is amended—

3 (A) in clause (i), by striking “and” at the
4 end;

5 (B) in clause (ii), by striking “\$5.” and in-
6 serting “\$10; and”; and

7 (C) by adding at the end the following:

8 “(iii) in the case of plan years begin-
9 ning in calendar year 2016, by \$5.”.

10 (2) CONFORMING AMENDMENTS.—Section
11 4006(a)(8) of such Act (29 U.S.C. 1306(a)(8)) is
12 amended—

13 (A) in subparagraph (A)—

14 (i) in clause (ii), by striking “and” at
15 the end;

16 (ii) in clause (iii), by striking the pe-
17 riod at the end and inserting “; and”; and

18 (iii) by adding at the end the fol-
19 lowing:

20 “(iv) for plan years beginning after
21 calendar year 2016, the amount in effect
22 for plan years beginning in 2016 (deter-
23 mined after application of subparagraph
24 (C)).”; and

25 (B) in subparagraph (D)—

1 (i) in clause (ii), by striking “and” at
2 the end;

3 (ii) in clause (iii), by striking the pe-
4 riod at the end and inserting “; and”; and

5 (iii) by adding at the end the fol-
6 lowing:

7 “(iv) 2014, in the case of plan years
8 beginning after calendar year 2016.”.

9 (d) INCREASE IN VARIABLE RATE PREMIUM CAP.—

10 (1) IN GENERAL.—Section 4006(a)(3)(E)(i) of
11 such Act (29 U.S.C. 1306(a)(3)(E)(i)) is amended—

12 (A) in subclause (I), by striking “and” at
13 the end;

14 (B) in subclause (II)—

15 (i) by inserting “and before 2016”
16 after “2012”; and

17 (ii) by striking the period at the end
18 and inserting “and”; and

19 (C) by adding at the end the following:

20 “(III) in the case of plan years beginning in a
21 calendar year after 2015, shall not exceed \$500.”.

22 (2) INDEX TO WAGES.—Section 4006(a)(3) of
23 such Act (29 U.S.C. 1306(a)(3)) is amended—

1 (A) in subparagraph (K) (as redesignated
2 by subsection (b)(1)(A)), by inserting “and be-
3 fore 2016” after “2013”; and

4 (B) by inserting at the end the following:

5 “(L) For each plan year beginning in a calendar year
6 after 2016, there shall be substituted for the dollar
7 amount specified in subclause (III) of subparagraph (E)(i)
8 an amount equal to the greater of—

9 (i) the product derived by multiplying such
10 dollar amount by the ratio of—

11 (I) the national average wage index (as
12 defined in section 209(k)(1) of the Social Secu-
13 rity Act) for the first of the 2 calendar years
14 preceding the calendar year in which such plan
15 year begins, to

16 (II) the national average wage index (as
17 so defined) for 2014; and

18 (ii) such dollar amount for plan years begin-
19 ning in the preceding calendar year.

20 If the amount determined under this subparagraph is not
21 a multiple of \$1, such product shall be rounded to the
22 nearest multiple of \$1.”.

23 (e) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to plan years beginning after De-
25 cember 31, 2013.

1 **SEC. 704. CANCELLATION OF UNOBLIGATED BALANCES.**

2 (a) DEPARTMENT OF JUSTICE ASSETS FORFEITURE
3 FUND.—Effective on the date of enactment of this Act,
4 of the unobligated balances available under the Depart-
5 ment of Justice Assets Forfeiture Fund, \$693,000,000 are
6 permanently cancelled.

7 (b) TREASURY FORFEITURE FUND.—Effective on
8 the date of enactment of this Act, of the unobligated bal-
9 ances available under the Department of the Treasury
10 Forfeiture Fund, \$867,000,000, are permanently can-
11 celled.

12 **SEC. 705. CONSERVATION PLANNING TECHNICAL ASSIST-**
13 **ANCE USER FEES.**

14 (a) USER FEES AUTHORIZED.—Section 3 of the Soil
15 Conservation and Domestic Allotment Act (16 U.S.C.
16 590c) is amended—

17 (1) by striking “require—” and inserting “re-
18 quire the following:”;

19 (2) in paragraph (1), by striking the semicolon
20 at the end and inserting a period;

21 (3) in paragraph (2), by striking “; and” at the
22 end and inserting a period; and

23 (4) by adding at the end the following:

24 “(4)(A) The payment of user fees for conservation
25 planning technical assistance if the Secretary determines
26 that the fees, subject to subparagraph (B), are—

1 “(i) reasonable and appropriate;

2 “(ii) assessed for conservation planning tech-
3 nical assistance resulting in the development of a
4 conservation plan; and

5 “(iii) assessed based on the size of the land or
6 the complexity of the resource issues involved.

7 “(B) Fees under subparagraph (A) may not exceed
8 \$150 per conservation plan for which technical assistance
9 is provided.

10 “(C) The Secretary may waive fees otherwise re-
11 quired under subparagraph (A) in the case of conservation
12 planning technical assistance provided—

13 “(i) to beginning farmers or ranchers (as de-
14 fined in section 343(a) of the Consolidated Farm
15 and Rural Development Act (7 U.S.C. 1991(a));

16 “(ii) to limited resource farmers or ranchers (as
17 defined by the Secretary);

18 “(iii) to socially disadvantaged farmers or
19 ranchers (as defined in section 355(e) of the Con-
20 solidated Farm and Rural Development Act (7
21 U.S.C. 2003(e));

22 “(iv) to qualify for an exemption from ineligi-
23 bility under section 1212 of the Food Security Act
24 of 1985 (16 U.S.C. 3812); or

1 of title 31, United States Code, shall be deposited in
2 the Fund.

3 “(3) AVAILABILITY.—Amounts in the Fund
4 shall—

5 “(A) only be available to the extent and in
6 the amount provided in advance in appropria-
7 tions Acts;

8 “(B) be used for the costs of carrying out
9 this Act; and

10 “(C) remain available until expended.”.

11 **SEC. 706. SELF PLUS ONE COVERAGE.**

12 (a) ELECTION OF COVERAGE.—Section 8905 of title
13 5, United States Code, is amended—

14 (1) by striking subsection (a) and inserting the
15 following:

16 “(a) An employee may enroll in an approved health
17 benefits plan described in section 8903 or 8903a—

18 “(1) as an individual;

19 “(2) for self plus one; or

20 “(3) for self and family.”;

21 (2) in subsection (c)—

22 (A) in paragraph (1), in the matter fol-
23 lowing subparagraph (B), by inserting “for self
24 plus one or” before “self and family as provided
25 in paragraph (2) of this subsection”; and

1 (B) in paragraph (2)—

2 (i) in the matter preceding subpara-
3 graph (A), by inserting “for self plus one
4 or” before “for self and family”; and

5 (ii) in subparagraph (B), by inserting
6 “(or, in the case of self plus one coverage,
7 not more than 1 such child)” after “adopt-
8 ed children”;

9 (3) in subsection (e), by striking “or each
10 spouse may enroll as an individual” and inserting
11 “or for a self plus one enrollment that covers the
12 spouse, or each spouse may enroll as an individual
13 or for a self plus one enrollment that does not cover
14 the other spouse or a child who is covered under the
15 enrollment of the other spouse”; and

16 (4) in subsection (h)—

17 (A) by striking “self and family enroll-
18 ment” each place it appears and inserting “self
19 plus one or self and family enrollment, as nec-
20 essary to provide health insurance coverage for
21 each child who is covered under the order,”;

22 (B) by striking “a child” each place it ap-
23 pears and inserting “1 or more children”;

1 (C) by striking “the child resides” each
2 place it appears and inserting “the child or chil-
3 dren reside”;

4 (D) in paragraph (1), by striking “self and
5 family coverage” each place it appears and in-
6 serting “self plus one or self and family cov-
7 erage, as necessary to provide health insurance
8 coverage for each child who is covered under
9 the order,”; and

10 (E) in paragraph (3), by striking “the
11 child continues” and inserting “the child or
12 children continue”.

13 (b) CONTINUED COVERAGE.—Section 8905a of title
14 5, United States Code, is amended—

15 (1) in subsection (d)(3)(A), by inserting “for
16 self plus one or” before “for self and family”; and

17 (2) in subsection (f)(3)(A), by striking “for self
18 and family based on such person’s separation from
19 service” and inserting “based on such person’s sepa-
20 ration from service under a self plus one enrollment
21 that covered the individual or under a self and fam-
22 ily enrollment”.

23 (c) CONTRIBUTIONS.—Section 8906(a)(1) of title 5,
24 United States Code is amended—

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

3 (2) by redesignating subparagraph (B) as sub-
4 paragraph (C); and

5 (3) by inserting after subparagraph (A) the fol-
6 lowing:

7 “(B) enrollments under this chapter for self
8 plus one; and”.

9 (d) **WEIGHTED AVERAGE FOR FIRST YEAR.**—For the
10 first contract year for which an employee may enroll for
11 self plus one coverage under chapter 89 of title 5, United
12 States Code, the Office of Personnel Management shall
13 determine the weighted average of the subscription
14 charges that will be in effect for the contract year for en-
15 rollments for self plus one under such chapter based on
16 an actuarial analysis.



AMENDMENT TO H.J. RES 59

Insert at the end of the House amendment the following:

1 **DIVISION B—MEDICARE AND**
2 **OTHER HEALTH PROVISIONS**

3 **SEC. 1001. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.— This division may be cited as
5 the “Pathway for SGR Reform Act of 2013”.

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

DIVISION B—MEDICARE AND OTHER HEALTH PROVISIONS

- Sec. 1001. Short title; table of contents.
- Sec. 1002. Findings; purpose statement.

TITLE I—MEDICARE EXTENDERS

- Sec. 1101. Physician payment update.
- Sec. 1102. Extension of work GPCI floor.
- Sec. 1103. Extension of therapy cap exceptions process.
- Sec. 1104. Extension of ambulance add-ons.
- Sec. 1105. Medicare inpatient hospital payment adjustment for low-volume hospitals.
- Sec. 1106. Medicare-dependent hospital (MDH) program.
- Sec. 1107. 1-year extension of authorization for special needs plans.
- Sec. 1108. 1-year extension of Medicare reasonable cost contracts.
- Sec. 1109. Extension of existing funding for contract with consensus-based entity.
- Sec. 1110. Extension of funding outreach and assistance for low-income programs.

TITLE II—OTHER HEALTH PROVISIONS

- Sec. 1201. Extension of the qualifying individual (QI) program.
- Sec. 1202. Temporary extension of transitional medical assistance (TMA).
- Sec. 1203. Extension of funding for family-to-family health information centers.
- Sec. 1204. Delay of reductions to Medicaid DSH allotments.

Sec. 1205. Realignment of the Medicare sequester for fiscal year 2023.

Sec. 1206. Payment for inpatient services in long-term care hospitals (LTCHs).

1 **SEC. 1002. FINDINGS; PURPOSE STATEMENT.**

2 In order to support the provision of quality care for
3 our nations seniors, Congress finds it appropriate to re-
4 form physician reimbursements under the Medicare pro-
5 gram. SGR reform legislation provides such an oppor-
6 tunity, but not until next year. In order to facilitate such
7 reform, Congress finds that the Centers for Medicare &
8 Medicaid Services should continue to focus its efforts on
9 the following areas:

10 (1) SIMPLIFY AND REDUCE ADMINISTRATIVE
11 BURDEN ON PHYSICIANS.—The application and as-
12 sessment of measures and other activities under
13 SGR reform should be facilitated by the Centers for
14 Medicare and Medicaid Services (CMS) in a way
15 that accounts for the administrative burden such
16 measurement places on physicians. Therefore, the
17 Congress encourages CMS to identify and imple-
18 ment, to the extent practicable, mechanisms to en-
19 sure that the application and assessment of meas-
20 ures be coordinated across programs.

21 (2) TIMELY FEEDBACK FOR PHYSICIANS.—In
22 order for measure and assessment programs to en-
23 courage the highest quality care for Medicare sen-
24 iors, the Congress finds it critical that CMS provide

1 physicians with feedback on performance in as close
2 to real time as possible. Such timely feedback will
3 ensure that physicians can excel under a system of
4 meaningful measurement.

5 (3) ENCOURAGE DEVELOPMENT OF NEW MOD-
6 ELS.—There is great need to test alternatives to
7 Fee-For-Service reimbursement in the Medicare pro-
8 gram. One option is the promotion and adoption of
9 new models of care for physicians. To date, there
10 has been significant development and testing of
11 models for primary care. Congress supports these ef-
12 forts and encourages them to continue in the future.
13 Congress also encourages the development and test-
14 ing of models of specialty care.

15 **TITLE I—MEDICARE EXTENDERS**

16 **SEC. 1101. PHYSICIAN PAYMENT UPDATE.**

17 Section 1848(d) of the Social Security Act (42 U.S.C.
18 10 1395w-4(d)) is amended by adding at the end the fol-
19 lowing new paragraph:

20 “(15) UPDATE FOR JANUARY THROUGH MARCH
21 OF 2014.—

22 “(A) IN GENERAL.—Subject to paragraphs
23 (7)(B), (8)(B), (9)(B), (10)(B), (11)(B),
24 (12)(B), (13)(B), and (14)(B), in lieu of the
25 update to the single conversion factor estab-

1 lished in paragraph (1)(C) that would otherwise
2 apply for 2014 for the period beginning on Jan-
3 uary 1, 2014, and ending on March 31, 2014,
4 the update to the single conversion factor shall
5 be 0.5 percent.

6 “(B) NO EFFECT ON COMPUTATION OF
7 CONVERSION FACTOR FOR REMAINING PORTION
8 OF 2014 AND SUBSEQUENT YEARS.—The con-
9 version factor under this subsection shall be
10 computed under paragraph (1)(A) for the pe-
11 riod beginning on April 1, 2014, and ending on
12 December 31, 2014, and for 2015 and subse-
13 quent years as if subparagraph (A) had never
14 applied.”.

15 **SEC. 1102. EXTENSION OF WORK GPCI FLOOR.**

16 Section 1848(e)(1)(E) of the Social Security Act (42
17 U.S.C. 1395w-4(e)(1)(E)) is amended by striking “Janu-
18 ary 1, 2014” and inserting “April 1, 2014”.

19 **SEC. 1103. EXTENSION OF THERAPY CAP EXCEPTIONS**
20 **PROCESS.**

21 Section 1833(g) of the Social Security Act (42 U.S.C.
22 1395l(g)) is amended—

23 (1) in paragraph (5)(A), in the first sentence,
24 by striking “December 31, 2013” and inserting
25 “March 31, 2014”; and

1 (2) in paragraph (6)(A)—

2 (A) by striking “December 31, 2013” and
3 inserting “March 31, 2014”; and

4 (B) by striking “or 2013” and inserting “,
5 2013, or the first three months of 2014”.

6 **SEC. 1104. EXTENSION OF AMBULANCE ADD-ONS.**

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

10 (1) in the matter preceding clause (i), by strik-
11 ing “January 1, 2014” and inserting “April 1,
12 2014”; and

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

16 (b) SUPER RURAL GROUND AMBULANCE.—Section
17 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
18 1395m(l)(12)(A)) is amended by striking “January 1,
19 2014” and inserting “April 1, 2014”.

20 **SEC. 1105. MEDICARE INPATIENT HOSPITAL PAYMENT AD-**
21 **JUSTMENT FOR LOW-VOLUME HOSPITALS.**

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

24 (1) in subparagraph (B), in the matter pre-
25 ceding clause (i), by striking “fiscal year 2014 and

1 subsequent fiscal years” and inserting “the portion
2 of fiscal year 2014 beginning on April 1, 2014, fiscal
3 year 2015, and subsequent fiscal years”;

4 (2) in subparagraph (C)(i)—

5 (A) by inserting “and the portion of fiscal
6 year 2014 before” after “and 2013,” each place
7 it appears; and

8 (B) by inserting “or portion of fiscal year”
9 after “during the fiscal year”; and

10 (3) in subparagraph (D)—

11 (A) by inserting “and the portion of fiscal
12 year 2014 before April 1, 2014,” after “and
13 2013,”; and

14 (B) by inserting “or the portion of fiscal
15 year” after “in the fiscal year”.

16 **SEC. 1106. MEDICARE-DEPENDENT HOSPITAL (MDH) PRO-**
17 **GRAM.**

18 (a) **IN GENERAL.**—Section 1886(d)(5)(G) of the So-
19 cial Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amend-
20 ed—

21 (1) in clause (i), by striking “October 1, 2013”
22 and inserting “April 1, 2014”; and

23 (2) in clause (ii)(II), by striking “October 1,
24 2013” and inserting “April 1, 2014”.

25 (b) **CONFORMING AMENDMENTS.**—

1 (1) EXTENSION OF TARGET AMOUNT.—Section
2 1886(b)(3)(D) of the Social Security Act (42 U.S.C.
3 1395ww(b)(3)(D)) is amended—

4 (A) in the matter preceding clause (i), by
5 striking “October 1, 2013” and inserting “April
6 1, 2014”; and

7 (B) in clause (iv), by inserting “and the
8 portion of fiscal year 2014 before April 1,
9 2014” after “through fiscal year 2013”.

10 (2) PERMITTING HOSPITALS TO DECLINE RE-
11 CLASSIFICATION.—Section 13501(e)(2) of the Omni-
12 bus Budget Reconciliation Act of 1993 (42 U.S.C.
13 1395ww note) is amended by striking “through fis-
14 cal year 2013” and inserting “through the first 2
15 quarters of fiscal year 2014”.

16 **SEC. 1107. 1-YEAR EXTENSION OF AUTHORIZATION FOR**
17 **SPECIAL NEEDS PLANS.**

18 Section 1859(f)(1) of the Social Security Act (42
19 U.S.C. 1395w-28(f)(1)) is amended by striking “2015”
20 and inserting “2016”.

21 **SEC. 1108. 1-YEAR EXTENSION OF MEDICARE REASONABLE**
22 **COST CONTRACTS.**

23 Section 1876(h)(5)(C)(ii) of the Social Security Act
24 (42 U.S.C. 1395mm(h)(5)(C)(ii)) is amended, in the mat-

1 ter preceding subclause (I), by striking “January 1, 2014”
2 and inserting “January 1, 2015”.

3 **SEC. 1109. EXTENSION OF EXISTING FUNDING FOR CON-**
4 **TRACT WITH CONSENSUS-BASED ENTITY.**

5 Section 1890(d) of the Social Security Act (42 U.S.C.
6 1395aaa(d)) is amended by adding at the end the fol-
7 lowing new sentence: “Amounts transferred under the pre-
8 ceding sentence shall remain available until expended.”.

9 **SEC. 1110. EXTENSION OF FUNDING OUTREACH AND AS-**
10 **SISTANCE FOR LOW-INCOME PROGRAMS.**

11 (a) **ADDITIONAL FUNDING FOR STATE HEALTH IN-**
12 **SURANCE PROGRAMS.**—Subsection (a)(1)(B) of section
13 119 of the Medicare Improvements for Patients and Pro-
14 viders Act of 2008 (42 U.S.C. 1395b–3 note), as amended
15 by section 3306 of the Patient Protection and Affordable
16 Care Act Public Law 111–148) and section 610 of the
17 American Taxpayer Relief Act of 2012 (Public Law 112-
18 240), is amended—

19 (1) in clause (ii), by striking “and” at the end;

20 (2) in clause (iii), by striking the period at the
21 end and inserting “; and”; and

22 (3) by inserting after clause (iii) the following
23 new clause:

1 “(iv) for the portion of fiscal year
2 2014 before April 1, 2014, of
3 \$3,750,000.”.

4 (b) ADDITIONAL FUNDING FOR AREA AGENCIES ON
5 AGING.—Subsection (b)(1)(B) of such section 119, as so
6 amended, is amended—

7 (1) in clause (ii), by striking “and” at the end;

8 (2) in clause (iii), by striking the period at the
9 end and inserting “; and”; and

10 (3) by inserting after clause (iii) the following
11 new clause:

12 “(iv) for the portion of fiscal year
13 2014 before April 1, 2014, of
14 \$3,750,000.”.

15 (c) ADDITIONAL FUNDING FOR AGING AND DIS-
16 ABILITY RESOURCE CENTERS.—Subsection (c)(1)(B) of
17 such section 119, as so amended, is amended—

18 (1) in clause (ii), by striking “and” at the end;

19 (2) in clause (iii), by striking the period at the
20 end and inserting “; and”; and

21 (3) by inserting after clause (iii) the following
22 new clause:

23 “(iv) for the portion of fiscal year
24 2014 before April 1, 2014, of
25 \$2,500,000.”.

1 (d) ADDITIONAL FUNDING FOR CONTRACT WITH
2 THE NATIONAL CENTER FOR BENEFITS AND OUTREACH
3 ENROLLMENT.—Subsection (d)(2) of such section 119, as
4 so amended, is amended—

5 (1) in clause (ii), by striking “and” at the end;

6 (2) in clause (iii), by striking the period at the
7 end and inserting “; and”; and

8 (3) by inserting after clause (iii) the following
9 new clause:

10 “(iv) for the portion of fiscal year
11 2014 before April 1, 2014, of
12 \$2,500,000.”.

13 **TITLE II—OTHER HEALTH** 14 **PROVISIONS**

15 **SEC. 1201. EXTENSION OF THE QUALIFYING INDIVIDUAL** 16 **(QI) PROGRAM.**

17 (a) EXTENSION.—Section 1902(a)(10)(E)(iv) of the
18 Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is
19 amended by striking “December 2013” and inserting
20 “March 2014”.

21 (b) EXTENDING TOTAL AMOUNT AVAILABLE FOR
22 ALLOCATION.—Section 1933(g) of the Social Security Act
23 (42 U.S.C. 1396u–3(g)) is amended—

24 (1) in paragraph (2)—

1 (A) in subparagraph (S), by striking
2 “and” after the semicolon;

3 (B) in subparagraph (T), by striking the
4 period at the end and inserting “; and”; and

5 (C) by adding at the end the following new
6 subparagraph:

7 “(U) for the period that begins on January
8 1, 2014, and ends on March 31, 2014, the total
9 allocation amount is \$200,000,000.”.

10 **SEC. 1202. TEMPORARY EXTENSION OF TRANSITIONAL**
11 **MEDICAL ASSISTANCE (TMA).**

12 Sections 1902(e)(1)(B) and 1925(f) of the Social Se-
13 curity Act (42 U.S.C. 1396a(e)(1)(B), 1396r-6(f)) are
14 each amended by striking “December 31, 2013” and in-
15 serting “March 31, 2014”.

16 **SEC. 1203. EXTENSION OF FUNDING FOR FAMILY-TO-FAM-**
17 **ILY HEALTH INFORMATION CENTERS.**

18 Section 501(c)(1)(A) of the Social Security Act (42
19 U.S.C. 701(c)(1)(A)) is amended—

20 (1) in clause (ii), by striking at the end “and”;

21 (2) in clause (iii), by striking the period at the
22 end and inserting “; and”; and

23 (3) by adding at the end the following new
24 clause:

1 “(iv) \$2,500,000 for the portion of
2 fiscal year 2014 before April 1, 2014.”.

3 **SEC. 1204. DELAY OF REDUCTIONS TO MEDICAID DSH AL-**
4 **LOTMENTS.**

5 (a) IN GENERAL.—Section 1923(f) of the Social Se-
6 curity Act (42 U.S.C. 1396r-4(f)) is amended—

7 (1) in paragraph (7)(A)—

8 (A) in clause (i), by striking “2014” and
9 inserting “2016”; and

10 (B) in clause (ii)—

11 (i) by striking subclauses (I) and (II);

12 (ii) by redesignating subclauses (III)
13 through (VII) as subclauses (I) through
14 (V), respectively; and

15 (iii) in subclause (I) (as redesignated
16 by clause (ii)), by striking “\$600,000,000”
17 and inserting “\$1,200,000,000”; and

18 (2) in paragraph (8)—

19 (A) by redesignating subparagraph (C) as
20 subparagraph (D);

21 (B) by inserting after subparagraph (B)
22 the following new subparagraph:

23 “(C) FISCAL YEAR 2023.—Only with re-
24 spect to fiscal year 2023, the DSH allotment
25 for a State, in lieu of the amount determined

1 under paragraph (3) for the State for that year,
2 shall be equal to the DSH allotment for the
3 State for fiscal year 2022, as determined under
4 subparagraph (B), increased, subject to sub-
5 paragraphs (B) and (C) of paragraph (3), and
6 paragraph (5), by the percentage change in the
7 consumer price index for all urban consumers
8 (all items; U.S. city average), for fiscal year
9 2022.”; and

10 (C) in subparagraph (D) (as redesignated
11 by subparagraph (A)), by striking “fiscal year
12 2022” and inserting “fiscal year 2023”.

13 (b) EFFECTIVE DATE.—The amendments made by
14 subsection (a) shall be effective as of October 1, 2013.

15 **SEC. 1205. REALIGNMENT OF THE MEDICARE SEQUESTER**
16 **FOR FISCAL YEAR 2023.**

17 Paragraph (6) (relating to implementing direct
18 spending reductions, as redesignated by section
19 101(d)(2)(C), and as amended by section 101(c), of the
20 Bipartisan Budget Act of 2013) of section 251A of the
21 Balanced Budget and Emergency Deficit Control Act of
22 1985 (2 U.S.C. 901a) is amended by adding at the end
23 the following new subparagraph:

24 “(C) Notwithstanding the 2 percent limit speci-
25 fied in subparagraph (A) for payments for the Medi-

1 care programs specified in section 256(d), the se-
2 questration order of the President under such sub-
3 paragraph for fiscal year 2023 shall be applied to
4 such payments so that—

5 “(i) with respect to the first 6 months in
6 which such order is effective for such fiscal
7 year, the payment reduction shall be 2.90 per-
8 cent; and

9 “(ii) with respect to the second 6 months
10 in which such order is so effective for such fis-
11 cal year, the payment reduction shall be 1.11
12 percent.”.

13 **SEC. 1206. PAYMENT FOR INPATIENT SERVICES IN LONG-**
14 **TERM CARE HOSPITALS (LTCHS).**

15 **(a) ESTABLISHMENT OF CRITERIA FOR APPLICATION**
16 **OF SITE NEUTRAL PAYMENT.—**

17 **(1) IN GENERAL.—**Section 1886(m) of the So-
18 cial Security Act (42 U.S.C. 1395ww(m)) is amend-
19 ed by adding at the end the following:

20 **“(6) APPLICATION OF SITE NEUTRAL IPPS PAY-**
21 **MENT RATE IN CERTAIN CASES.—**

22 **“(A) GENERAL APPLICATION OF SITE NEU-**
23 **TRAL IPPS PAYMENT AMOUNT FOR DISCHARGES**
24 **FAILING TO MEET APPLICABLE CRITERIA.—**

1 “(i) IN GENERAL.—For a discharge in
2 cost reporting periods beginning on or
3 after October 1, 2015, except as provided
4 in clause (ii) and subparagraph (C), pay-
5 ment under this title to a long-term care
6 hospital for inpatient hospital services shall
7 be made at the applicable site neutral pay-
8 ment rate (as defined in subparagraph
9 (B)).

10 “(ii) EXCEPTION FOR CERTAIN DIS-
11 CHARGES MEETING CRITERIA.—Clause (i)
12 shall not apply (and payment shall be
13 made to a long-term care hospital without
14 regard to this paragraph) for a discharge
15 if—

16 “(I) the discharge meets the ICU
17 criterion under clause (iii) or the ven-
18 tilator criterion under clause (iv); and

19 “(II) the discharge does not have
20 a principal diagnosis relating to a psy-
21 chiatric diagnosis or to rehabilitation.

22 “(iii) INTENSIVE CARE UNIT (ICU)
23 CRITERION.—

24 “(I) IN GENERAL.—The criterion
25 specified in this clause (in this para-

1 graph referred to as the ‘ICU cri-
2 terion’), for a discharge from a long-
3 term care hospital, is that the stay in
4 the long-term care hospital ending
5 with such discharge was immediately
6 preceded by a discharge from a stay
7 in a subsection (d) hospital that in-
8 cluded at least 3 days in an intensive
9 care unit (ICU), as determined by the
10 Secretary.

11 “(II) DETERMINING ICU DAYS.—
12 In determining intensive care unit
13 days under subclause (I), the Sec-
14 retary shall use data from revenue
15 center codes 020X or 021X (or such
16 successor codes as the Secretary may
17 establish).

18 “(iv) VENTILATOR CRITERION.—The
19 criterion specified in this clause (in this
20 paragraph referred to as the ‘ventilator cri-
21 terion’), for a discharge from a long-term
22 care hospital, is that—

23 “(I) the stay in the long-term
24 care hospital ending with such dis-
25 charge was immediately preceded by a

1 discharge from a stay in a subsection
2 (d) hospital; and

3 “(II) the individual discharged
4 was assigned to a Medicare-Severity-
5 Long-Term-Care-Diagnosis-Related-
6 Group (MS-LTC-DRG) based on the
7 receipt of ventilator services of at
8 least 96 hours.

9 “(B) APPLICABLE SITE NEUTRAL PAY-
10 MENT RATE DEFINED.—

11 “(i) IN GENERAL.—In this paragraph,
12 the term ‘applicable site neutral payment
13 rate’ means—

14 “(I) for discharges in cost report-
15 ing periods beginning during fiscal
16 year 2016 or fiscal year 2017, the
17 blended payment rate specified in
18 clause (iii); and

19 “(II) for discharges in cost re-
20 porting periods beginning during fis-
21 cal year 2018 or a subsequent fiscal
22 year, the site neutral payment rate
23 (as defined in clause (ii)).

24 “(ii) SITE NEUTRAL PAYMENT RATE
25 DEFINED.—In this paragraph, the term

1 'site neutral payment rate' means the
2 lower of—

3 “(I) the IPPS comparable per
4 diem amount determined under para-
5 graph (d)(4) of section 412.529 of
6 title 42, Code of Federal Regulations,
7 including any applicable outlier pay-
8 ments under section 412.525 of such
9 title; or

10 “(II) 100 percent of the esti-
11 mated cost for the services involved.

12 “(iii) **BLENDED PAYMENT RATE.**—
13 The blended payment rate specified in this
14 clause, for a long-term care hospital for in-
15 patient hospital services for a discharge, is
16 comprised of—

17 “(I) half of the site neutral pay-
18 ment rate (as defined in clause (ii))
19 for the discharge; and

20 “(II) half of the payment rate
21 that would otherwise be applicable to
22 such discharge without regard to this
23 paragraph, as determined by the Sec-
24 retary.

1 “(C) LIMITING PAYMENT FOR ALL HOS-
2 PITAL DISCHARGES TO SITE NEUTRAL PAYMENT
3 RATE FOR HOSPITALS FAILING TO MEET APPLI-
4 CABLE LTCH DISCHARGE THRESHOLDS.—

5 “(i) NOTICE OF LTCH DISCHARGE
6 PAYMENT PERCENTAGE.—For cost report-
7 ing periods beginning during or after fiscal
8 year 2016, the Secretary shall inform each
9 long-term care hospital of its LTCH dis-
10 charge payment percentage (as defined in
11 clause (iv)) for such period.

12 “(ii) LIMITATION.—For cost reporting
13 periods beginning during or after fiscal
14 year 2020, if the Secretary determines for
15 a long-term care hospital that its LTCH
16 discharge payment percentage for the pe-
17 riod is not at least 50 percent—

18 “(I) the Secretary shall inform
19 the hospital of such fact; and

20 “(II) subject to clause (iii), for
21 all discharges in the hospital in each
22 succeeding cost reporting period, the
23 payment amount under this sub-
24 section shall be the payment amount
25 that would apply under subsection (d)

1 for the discharge if the hospital were
2 a subsection (d) hospital.

3 “(iii) PROCESS FOR REINSTATE-
4 MENT.—The Secretary shall establish a
5 process whereby a long-term care hospital
6 may seek to and have the provisions of
7 subclause (II) of clause (ii) discontinued
8 with respect to that hospital.

9 “(iv) LTCH DISCHARGE PAYMENT
10 PERCENTAGE.—In this subparagraph, the
11 term ‘LTCH discharge payment percent-
12 age’ means, with respect to a long-term
13 care hospital for a cost reporting period
14 beginning during or after fiscal year 2020,
15 the ratio (expressed as a percentage) of—

16 “(I) the number of discharges for
17 such hospital and period for which
18 payment is not made at the site neu-
19 tral payment rate, to

20 “(II) the total number of dis-
21 charges for such hospital and period.

22 “(D) INCLUSION OF SUBSECTION (D)
23 PUERTO RICO HOSPITALS.—In this paragraph,
24 any reference in this paragraph to a subsection
25 (d) hospital shall be deemed to include a ref-

1 erence to a subsection (d) Puerto Rico hos-
2 pital.”.

3 (2) MEDPAC STUDY AND REPORT ON IMPACT
4 OF CHANGES.—

5 (A) STUDY.—The Medicare Payment As-
6 sessment Commission shall examine the effect
7 of applying section 1886(m)(6) of the Social Se-
8 curity Act, as added by the amendment made
9 by paragraph (1), on—

10 (i) the quality of patient care in long-
11 term care hospitals;

12 (ii) the use of hospice care and post-
13 acute care settings;

14 (iii) different types of long-term care
15 hospitals; and

16 (iv) the growth in Medicare spending
17 for services in such hospitals.

18 (B) REPORT.—Not later than June 30,
19 2019, the Commission shall submit to Congress
20 a report on such study. The Commission shall
21 include in such report such recommendations
22 for changes in the application of such section as
23 the Commission deems appropriate as well as
24 the impact of the application of such section on
25 the need to continue applying the 25 percent

1 rule described under sections 412.534 and
2 412.536 of title 42, Code of Federal Regula-
3 tions.

4 (3) CALCULATION OF LENGTH OF STAY EX-
5 CLUDING CASES PAID ON A SITE NEUTRAL BASIS.—

6 (A) IN GENERAL.—For discharges occur-
7 ring in cost reporting periods beginning on or
8 after October 1, 2015, subject to subparagraph
9 (B), in calculating the length of stay require-
10 ment applicable to a long-term care hospital or
11 satellite facility under section
12 1886(d)(1)(B)(iv)(I) of the Social Security Act
13 (42 U.S.C. 1395ww(d)(1)(B)(iv)(I)) and section
14 1861(ccc)(2) of such Act (42 U.S.C.
15 1395x(ccc)(2)), the Secretary of Health and
16 Human Services shall exclude the following:

17 (i) SITE NEUTRAL PAYMENT.—Any
18 patient for whom payment is made at the
19 site neutral payment rate (as defined in
20 section 1886(m)(6)(B)(ii)) of such Act, as
21 added by paragraph (1)).

22 (ii) MEDICARE ADVANTAGE.—Any pa-
23 tient for whom payment is made under a
24 Medicare Advantage plan under part C of
25 title XVIII of such Act.

1 (B) LIMITATION ON CONVERTING SUB-
2 SECTION (D) HOSPITALS.—Subparagraph (A)
3 shall not apply to a hospital that is classified as
4 of December 10, 2013, as a subsection (d) hos-
5 pital (as defined in section 1886(d)(1)(B) of the
6 Social Security Act, 42 U.S.C.
7 1395ww(d)(1)(B)) for purposes of determining
8 whether the requirements of section
9 1886(d)(1)(B)(iv)(I) or 1861(ccc)(2) of such
10 Act (42 U.S.C. 1395ww(d)(1)(B)(iv)(I),
11 1395x(ccc)(2)) are met.

12 (b) EXTENSION OF CERTAIN LTCH PAYMENT
13 RULES AND MORATORIUM ON THE ESTABLISHMENT OF
14 CERTAIN HOSPITALS AND FACILITIES.—

15 (1) EXTENSION OF CERTAIN PAYMENT
16 RULES.—

17 (A) PAYMENT FOR HOSPITALS-WITHIN-
18 HOSPITALS.—Paragraph (2)(C) of section
19 114(c) of the Medicare, Medicaid, and SCHIP
20 Extension Act of 2007 (42 U.S.C. 1395ww
21 note), as amended by sections 3106(a) and
22 10312(a) of Public Law 111–148, is amended
23 by striking “5-year period” and inserting “9-
24 year period”.

1 **(B) 25 PERCENT PATIENT THRESHOLD**
2 PAYMENT ADJUSTMENT; MAKING THE GRAND-
3 FATHERED EXEMPTION FOR LONG-TERM CARE
4 HOSPITALS PERMANENT.—Section 114(c)(1) of
5 the Medicare, Medicaid, and SCHIP Extension
6 Act of 2007 (42 U.S.C. 1395ww note), as
7 amended by sections 3106(a) and 10312(a) of
8 Public Law 111–148, is amended—

9 (i) in the matter preceding subpara-
10 graph (A), by striking “for a 5-year pe-
11 riod”; and

12 (ii) in subparagraph (A), by inserting
13 “for a 9-year period,” before “section
14 412.536”.

15 **(C) REPORT ASSESSING CONTINUED SUS-**
16 PENSION OF 25 PERCENT RULE.—Not later
17 than 1 year before the end of the 9-year period
18 referred to in section 114(c)(1) of the Medicare,
19 Medicaid, and SCHIP Extension Act of 2007
20 (42 U.S.C. 1395ww note), as amended by sub-
21 paragraph (B), the Secretary of Health and
22 Human Services shall submit to Congress a re-
23 port on the need for any further extensions (or
24 modifications of the extensions) of the 25 per-
25 cent rule described in sections 412.534 and

1 412.536 of title 42, Code of Federal Regula-
2 tions, particularly taking into account the appli-
3 cation of section 1886(m)(6) of the Social Secu-
4 rity Act, as added by subsection (a)(1).

5 (2) EXTENSION OF MORATORIUM ON ESTAB-
6 LISHMENT OF AND INCREASE IN BEDS FOR
7 LTCHS.—Section 114(d) of the Medicare, Medicaid,
8 and SCHIP Extension Act of 2007 (42 U.S.C.
9 1395ww note), as amended by sections 3106(b) and
10 10312(b) of Public Law 111–148, is amended—

11 (A) in paragraph (1), in the matter pre-
12 ceding subparagraph (A), by inserting after “5-
13 year period” the following: “(and for the period
14 beginning January 1, 2015, and ending Sep-
15 tember 30, 2017)”; and

16 (B) by adding at the end the following new
17 paragraph:

18 “(6) LIMITATION ON APPLICATION OF EXCEP-
19 TIONS.—Paragraphs (2) and (3) shall not apply dur-
20 ing the period beginning January 1, 2015, and end-
21 ing September 30, 2017.”.

22 (c) ADDITIONAL QUALITY MEASURE.—Section
23 1886(m)(5)(D) of the Social Security Act (42 U.S.C.
24 1395ww(m)(5)(D)) is amended by adding at the end the
25 following new clause:

1 “(iv) ADDITIONAL QUALITY MEAS-
2 URES.—Not later than October 1, 2015,
3 the Secretary shall establish a functional
4 status quality measure for change in mo-
5 bility among inpatients requiring ventilator
6 support.”.

7 (d) REVIEW OF TREATMENT OF CERTAIN LTCHs.—

8 (1) EVALUATION.—As part of the annual rule-
9 making for fiscal year 2015 or fiscal year 2016 to
10 carry out the payment rates under subsection (d) of
11 section 1886 of the Social Security Act (42 U.S.C.
12 1395ww), the Secretary shall evaluate both the pay-
13 ment rates and regulations governing hospitals
14 which are classified under subclause (II) of sub-
15 section (d)(1)(B)(iv) of such section.

16 (2) ADJUSTMENT AUTHORITY.—Based upon
17 such evaluation, the Secretary may adjust payment
18 rates under subsection (b)(3) of section 1886 of the
19 Social Security Act (42 U.S.C. 1395ww) for a hos-
20 pital so classified (such as payment based upon the
21 TEFRA-payment model) and may adjust the regula-
22 tions governing such hospitals, including applying
23 the regulations governing hospitals which are classi-

1 fied under clause (I) of subsection (d)(1)(B) of such
2 section.

