Congressional Research Service

MEMORANDUM January 11, 2012

Subject: A Comparison of the Provisions in House and Senate Passed versions of H.R. 3630

This memorandum is intended for distribution to more than one congressional office.

This memorandum presents a comparison of selected current law and Titles I, II, III, IV, V, and VI of H.R. 3630, the Middle Class Tax Relief and Job Creation Act of 2011, as passed the House on December 15, 2011 and similar provisions in the Senate-passed version of H.R. 3630, the Temporary Payroll Tax Cut Continuation Act of 2011 that passed the full Senate on December 17, 2011. Note that provisions only in the Senate-passed version are presented collectively after Title VI.

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TITLE I—JOB CREATION INCENTIVES

Subtitle B—EPA Regulatory Relief

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Air emission standards for boilers and solid waste combustion units. Section 112 of the Clean Air Act (42 U.S.C. 7412) requires the Environmental Protection Agency (EPA) to promulgate Maximum Achievable Control Technology (MACT) standards for "major" sources of emissions of 187 hazardous air pollutants (HAPs) and Generally Available Control Technology (GACT) standards for smaller ("area") sources of HAP emissions. Section 129 of the act (42 U.S.C. 7429) requires EPA to promulgate MACT standards for solid waste combustion units. Under the act, existing boilers would be required to comply with the applicable emission standards within 3 years of the effective date of promulgated regulations, with a possibility of a one-year extension for individual sources if necessary for the installation of controls. Existing solid waste incinerators would be required to meet the standards no later than 5 years after promulgation. On March 21, 2011, EPA finalized four related rules applicable to boilers and commercial and industrial solid waste incinerator (CISWI) units. Three rules established applicable MACT and GACT standards for boilers and MACT standards for CISWI units. The fourth rule (established under authority of the Resource Conservation and Recovery Act) clarified when materials used as fuel in a combustion unit would be defined as "solid waste" (a definition necessary to determine whether a combustion unit would be subject to the CISWI standards rather than the less stringent standards for boilers).	*H. §§1102-1105.* These sections apply to EPA's four March 2011 rules. Each rule would be revoked and EPA required to promulgate new standards 15 months after the date of enactment (§1102). In establishing the relevant emission standards, the Administrator would be required to choose the "least burdensome" regulatory alternatives. Further, EPA would be required to establish standards that can be met under actual operating conditions consistently and concurrently with other standards (§1105). The compliance date for the air emission standards would be no earlier than 5 years after the date of the new regulation and could take feasibility, cost, and other factors into account in setting the compliance date (§1103). In promulgating new rules defining materials that are solid waste when used as a fuel, EPA would be required to adopt the definition of terms promulgated by the agency in a December 2000 CISWI rule (§1104).	No provision.

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EPA stayed the effective date of its major sources and CISWI emission standards pending reconsideration. EPA expects to complete the reconsideration by April 2012. On January 9, 2012, a district court vacated EPA's stay of the major sources and CISWI rules.		

TITLE II—EXTENSION OF CERTAIN EXPIRING PROVISIONS AND RELATED MEASURES

Subtitle B—Unemployment Compensation

PART 1—Reforms of Unemployment Compensation to Promote Work and Job Creation

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Consistent Job Search Requirements. Federal unemployment law does not contain explicit job search requirements for the receipt of regular state unemployment compensation (UC). Through interpretation of the framework of the Federal unemployment laws contained within the Social Security Act (SSA) and in the Federal Unemployment Tax Act (FUTA), it is generally understood that workers must have lost their jobs through no fault of their own and must be able, available, and willing to work. Variations exist in state law requirements concerning ability and availability to work. All states have work search requirements in state law or regulation in order for an individual to receive regular UC benefits. Most state laws require evidence of ability to work through the filing of claims and registration for work at a public employment office. Availability for work is often translated to mean being ready, willing, and able to work. Meeting the requirement of registration for work	*H. §2121.* Would add new federal law requirements for state UC eligibility related to being "able, available, and actively seeking work"—with the latter specifically defined under federal law, including at least (1) registering for employment services within 10 days after initial filing for UC benefits; (2) posting a resume, record, or other application for employment through a state agency database; and (3) applying for work under state requirements [effective for weeks beginning after end of first state legislative session after enactment]. No new funds would be provided for such activities. There would be no exceptions for those on temporary lay-off with expectation of recall, union members, or for those who are striking.	No provision.

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at a public employment office may be considered as evidence of availability in some states. There are often particular requirements and/or exceptions for those workers on temporary layoff and for workers that find employment through union hiring halls. Section 202(c)(A)(ii) of the Federal-State Extended Unemployment Compensation Act of 1970 (P.L. 97-373), as amended, does explicitly require active job search. However, the method of determining active job search is left to the determination of the States.		
Participation in Reemployment Services Made a Condition of Benefit Receipt. Federal law does not require minimum educational standards as a condition of benefit receipt. Section 303(a)(9) of the SSA requires any claimant who has been referred to reemployment services pursuant to the profiling system under Section 303(j)(1)(B) to participate in such services or in similar services unless the state agency charged with the administration of the state law determines (1) such claimant has completed such services; or (2) there is justifiable cause for such claimant's failure to participate in such services. Section 303(j) requires the state use a system of profiling all new claimants for regular compensation. The profiling system must: (1) identify which claimants will be likely to exhaust regular compensation and will need job search assistance services to make a successful transition to new employment; and (2) refer the identified claimants to reemployment services (including job search assistance services) that are available under any state or Federal law. Section 3304(a)(8) of the Internal Revenue Code (IRC) requires, as a condition for employers in a state to receive normal credit against the Federal tax, that a state's unemployment benefits laws provide that	*H. §2122.* Would add new federal law requirements for state UC eligibility: (1) UC claimants must meet minimum education requirements: either earn HS diploma, attain GED, or enroll/make satisfactory progress in classes leading to HS diploma or GED (states would be allowed to waive this educational requirement if state law deems it unduly burdensome); and (2) UC claimants referred to reemployment services must participate. Additionally, the proposal would add a new federal law provision to stipulate that UC may not be denied to an individual enrolled/making satisfactory progress in education or state-approved job training [effective for weeks beginning after end of first state legislative session after enactment].	No provision.

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compensation shall not be denied to an individual for any week because he is in training with the approval of the state agency (or because of the application, to any such week in training, of state law provisions relating to availability for work, active search for work, or refusal to accept work). A recent Training and Employment Guidance Letter (TEGL) No. 21-08, among other items, strongly encouraged states to broaden their definition of approved training for UC beneficiaries during economic downturns. [http://wdr.doleta.gov/directives/attach/TEGL/TEGL21-08acc.pdf]		
State Flexibility to Promote the Reemployment of Unemployed Workers. Section 3304(a)(4) of the IRC and Section 303(a)(5) of the SSA set the withdrawal standards for States to use funds within the State account in the Unemployment Trust Fund (UTF). All funds withdrawn from the unemployment fund of the state shall be used solely in the payment of unemployment compensation, exclusive of expenses of administration. Few exceptions exist; these include, for instance, withholding for tax purposes, for child support payments, to repay UI overpayments or covered unemployment compensation debt, and for benefits for the Self-Employment Assistance program and the Short-Time Compensation program. Section 303(a)(1) requires that the state UC program personnel be merit employees.	*H. §2123.* Would authorize under federal law up to 10 state UC demonstration projects a year (lasting up to 3 years). Demonstration projects would test and evaluate measures designed to expedite the reemployment of individuals who establish initial eligibility for regular UC or to improve the effectiveness of state reemployment efforts. States would provide a general description of the proposed demonstration project. The description would include: (1) a description of the proposed project, its authority under State law, and the period during which the project would be conducted; (2) the specifics of any waiver to Federal law and the reason for such waiver; (3) a description of the goals and expected outcomes of the project; (4) assurances and supporting analysis that the project would not result in a net increase cost to the state's Unemployment Trust Fund (UTF); (5) a description of the impact evaluation; and (6) assurances of reports required by the U.S. Labor Secretary. Would allow the U.S. Labor Secretary to waive the withdrawal standard and/or merit employee requirements if requested by the state (state UTF funds would be allowed to be used for purposes other than paying unemployment benefits). Authority ends 5 years after date of enactment of the section. Administrative grants to the states for administration of the regular UC program may be used for an approved project.	No provision.

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Assistance and Guidance in Implementing Self-Employment Assistance Programs. Section 3306(t) of the Federal Unemployment Tax Act (FUTA) defines the Self-Employment Assistance (SEA) program. Section 303(a)(5) of the Social Security Act permits the use of expenditures from the Unemployment Trust Fund (UTF) for SEA. The regular UC program generally requires unemployed workers to be actively seeking work and to be available for wage and salary jobs as a condition of eligibility for UC benefits. In states that have opted to create SEA programs under current law, SEA provides allowances in the same amount as regular UC benefits to individuals who (1) would otherwise be eligible for regular UC and (2) have been identified as likely to exhaust regular UC benefits. Under SEA a participating individual is not subject to worker search requirements so long as the individual is participating in entrepreneurial training or other activities.	*H. §2124.* Would require the U.S. Department of Labor (U.S. DOL) to develop and maintain model language for states to use in enacting SEA programs for regular UC claimants (as authorized under current federal law); this model language would be developed through U.S. DOL consultation with employers, labor organizations, state UC agencies, and other relevant program experts; would require U.S. DOL to provide technical assistance and guidance to states in enacting, improving, and administering SEA programs; would require U.S. DOL to establish reporting requirements for state SEA programs, including reporting (1) on the number of jobs and businesses created by SEA programs and (2) the federal and states tax revenues collected from such businesses and their employees; and would require U.S. DOL to coordinate with the Small Business Administration to ensure that adequate funding for the entrepreneurial training of SEA participants in states with SEA programs.	No provision.
Improving Program Integrity by Better Recovery of Overpayments. Section 303(g)(1) of the Social Security Act and Section 3304(a)(4)(D) of the Internal Revenue Code (IRC) allow states but do not require states to offset UC payments by non-fraud overpayments. States may opt in state law to waive deductions if it would be contrary to equity and good conscience.	*H. §2125.* Would require states to recover 100% of any erroneous overpayment by reducing up to 100% of the UC benefit in each week until the overpayment is fully recovered. The proposal would not allow states to waive such deduction if it would be contrary to equity and good conscience. Also would create authority for states to recover Federal Additional Compensation (FAC) overpayments through deductions to regular unemployment compensation.	No provision.
Data Standardization for Improved Matching. There are no specific federal laws or regulations related	*H. §2126.* Would require that the U.S. Labor Secretary designate standard data elements for any information required under title III or title IX of the SSA. Would require the standard data elements incorporate interoperable	No provision.

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to uniform data elements for improved data matching in the Federal-state unemployment compensation program. Section 303(a)(6) of the SSA requires states to make reports of information and data as required by the U.S. Labor Secretary. But current Federal law contains no precise requirements regarding codes or identifiers attached to UC, Emergency Unemployment Compensation (EUC08), or Extended Benefit (EB) program data or any other data standards.	standards that have been developed and used by an international standards body (as established by the Office of Management and Budget (OMB) and the U.S. Labor Secretary); intergovernmental partnerships; and Federal entities with contracting and financial assistance authority. In addition, Section 106(a) of this proposal would require the U.S. Labor Secretary, in consultation with an OMB interagency working group and States, to designate standard data elements that, to the extent practicable: (1) Make use of a widely-accepted, non-proprietary, digital, searchable format (2) Are consistent with and use relevant accounting principles (3) Are able to be upgraded on a continual basis (4) Incorporate non-proprietary standard (such as the eXtensible Business Reporting Language).	
Drug Testing of Applicants. Federal law does not specifically authorize drug testing of applicants as a condition of UC benefit eligibility. No state currently requires drug tests as a condition of eligibility for unemployment benefits. There are states that do, however, have state law provisions related to disqualification for previously failed drug tests/use of illegal drugs during prior employment.	*H. §2127.* Would clarify federal law to allow (but would not require) drug testing of UC applicants.	No provision.

PART 2—Provisions Relating to Extended Benefits

Extension and Modification of Emergency Unemployment Compensation Program. Under P.L. 110-252, as amended, the authorization of the EUC08 program expires the week ending on or before March 6, 2012.	*H. §2142.* Would extend the authorization of Tiers I and II of EUC08 until the week ending on or before January 31, 2013. The duration and conditions for availability of Tier II would be altered. There would be no benefits payable after that date. (There would be no grandfathering of benefits.)	*S. §201.* Would extend the authorization for EUC08 program (as structured under current law) until the week ending on or before March 6, 2012. No EUC08 benefits—regardless of tier—would be

Individuals receiving benefits in any tier of EUC08 would be able to finish out that tier of benefits only (grandfathering for current tier only). No EUC08 benefits—regardless of tier—are payable for any week after August 15, 2012. The current structure of unemployment benefits available through the EUC08 program: Tier I: up to 20 weeks of unemployment benefits (available in all states) Tier II: up to 14 weeks (available in all states) Tier III: up to 13 weeks (available in states with a total unemployment rate (TUR) of at least 6% or an insured unemployment rate (IUR) of at least 4%) Tier IV: up to 6 weeks (available in states with a TUR of at least 8.5% or an IUR of at least 6%) Section 4001(e) of P.L. 110-252, as amended allows states the option to pay EUC08 before EB.	Tier I would continue to offer up to 20 weeks in all states, Tier II would offer up to 13 weeks (rather than 14) and would be available in states with at least 6.0% TUR or an IUR of at least 4% (rather than in all states). Tiers III and IV would not be reauthorized. Note: Included in this subsection was an intent to require states to pay EUC08 before any EB entitlement. However, the version passed by the House would require states to pay EB before EUC08 and will need correction to reflect the intended ordering of benefits. (At the time of House passage, the authorization for all EUC08 tiers would have expired on the week ending on or before January 3, 2012 and no EUC08 benefit would have been payable for any week after June 9, 2012.)	payable for any week after August 15, 2012. (At the time of Senate passage, the authorization for all EUC08 tiers would have expired on the week ending on or before January 3, 2012 and no EUC08 benefit would have been payable for any week after June 9, 2012.)
Temporary Extension of Extended Benefit Provisions. Under permanent law (P.L. 97-373), EB benefits are financed 50% by the federal government (through federal unemployment taxes; i.e., FUTA) and states fund the other half (50%) of EB benefit costs through their state unemployment taxes (SUTA). ARRA (P.L. 111-5, as amended) temporarily changed the federal-state funding arrangement for the EB program. Currently, the FUTA finances 100% of sharable EB benefits through March 7, 2012.	*H. §2143.* Would extend the 100% federal financing of EB through January 31, 2013, as well as the option for states to use three-year lookback in their EB triggers until the week ending on or before January 31, 2013. (At the time of House passage, the FUTA financed 100% of sharable EB benefits through January 4, 2012 and the three-year lookback would have expired on the week ending on or before December 31, 2011.)	*S. §201.* Would extend the 100% federal financing of EB through March 7, 2012. Would also extend the option for states to use three-year lookback in their EB triggers until the week ending on or before February 29, 2012. (At the time of Senate passage, the FUTA financed 100% of sharable EB benefits through January 4, 2012 and the three-year lookback would have expired on the week ending on or before December 31, 2011.)

P.L. 111-312 made some temporary technical changes to certain triggers in the EB program, which allow states to temporarily use lookback calculations based on three years of unemployment rate data (rather than the permanent law lookback of two years of data) as part of their EB triggers if states would otherwise trigger off or not be on a period of EB benefits. This temporary option to use three-year EB trigger lookback expires the week ending on or before February 29, 2012.		
Additional Extended Unemployment Benefits Under the Railroad Unemployment Insurance Act. P.L. 111-5, as amended, temporarily increased the duration of extended unemployment benefits for railroad workers. Railroad workers who previously were not eligible for extended unemployment benefits because they did not have 10 years of service may be eligible for benefits of up to 65 days within an extended period consisting of seven consecutive two-week registration periods. Railroad workers who previously were eligible for extended unemployment benefits of up to 65 days (because they had 10 years of service) may now be eligible for benefits of up to 130 days within an extended period consisting of 13 consecutive two-week registration periods. P.L. 111-312 extended the ARRA provisions by one year to June 30, 2011. Under P.L. 111-312, the special extended unemployment benefit period could begin no later than December 31, 2011. P.L. 112-78 extended the temporary extended railroad unemployment benefit (authorized under ARRA (P.L. 111-5), as amended) for two months through February 29, 2012, to be financed with funds still available under P.L. 111-312.	*H. §2144.* Would extend the temporary extended railroad unemployment benefit (authorized under ARRA (P.L. 111-5), as amended) for 13 months through January 31, 2013, to be financed with funds still available under P.L. 111-312. (At the time of House passage, the special extended unemployment benefit period could begin no later than December 31, 2011.)	*S. §202.* Would extend the temporary extended railroad unemployment benefit (authorized under ARRA (P.L. 111-5), as amended) for two months through February 29, 2012, to be financed with funds still available under P.L. 111-312. (At the time of Senate passage, the special extended unemployment benefit period could begin no later than December 31, 2011.)

PART 3—Improving Reemployment Strategies Under the Emergency Unemployment Compensation Program

Improved Work Search. Federal unemployment law does not contain explicit job search requirements for the receipt of EUC08 benefits. Federal unemployment law does not require states to have work search requirements in the regular UC program. However, all states have work search requirements in state law or regulation in order for an individual to receive regular UC benefits. Section 202(a)(3)(A)(ii) of the Federal-State Extended Unemployment Compensation Act of 1970 (P.L. 97-373), as amended, explicitly requires active job search for receipt of Extended Benefits (EB). However, the method of determining active job search is left to the determination of the states.	*H.* §2161. Would require active work search for EUC08 entitlement where active work search must require at least the following: • individuals to register with reemployment services within 30 days, • individuals post a resume, record, or other application for employment on a database required by the state, and • individuals apply for work in such a manner as required by the state.	No provision.
Reemployment Services and Reemployment and Eligibility Assessment Activities. Federal law does not require minimum educational standards or reemployment service participation as a condition of EUC08 benefit receipt.	*H. §2162.* Would require EUC08 beneficiaries (1) to participate in reemployment services if referred and (2) to actively search for work, effective on or after 30 days of enactment for those individuals who enter a tier of EUC08. Would require individuals to meet the minimum educational requirements (high school degree, GED, or enrolled in program) created earlier in Section 2122 of the proposal (amending Section 303(a)(10)(B) of the SSA). The participation requirement for reemployment services would be waived if individuals have already completed this requirement or if there is "justifiable cause" as specified by guidance to be issued by the U.S. DOL Secretary within 30 days. Would authorize up to $5 of an individual's EUC08 benefit each week to be diverted (at state option) to fund these reemployment services and activities.	No provision.

State Flexibility to Support Long-term Unemployed Workers with Improved Reemployment Services. P.L. 110-252, as amended, requires that all EUC08 benefits be paid directly to the unemployed who have exhausted entitlement to all regular UC benefits. There is no provision for demonstration projects.	*H. § 2163.* Would allow for up to 20% of all EUC08 recipients in each state to be diverted into demonstration projects. The demonstration projects would need to be designed to expedite reemployment. Allowable demonstration activities would include: subsidies for employer provided training; work sharing or Short-Time Compensation; enhanced employment strategies and services; SEA programs; services that enhance skills that would assist in obtaining reemployment; direct reimbursements to employers who hire individuals that were receiving EUC08; and other innovative activities not otherwise described. Authority for demonstration projects would end when EUC08 ceases to be payable. Demonstration projects would be required to provide appropriate reemployment services and assurances of no net increase in cost to the EUC08 program. Would require states provide information on demonstration projects for reporting and evaluation purposes.	No provision.
Promoting Program Integrity Through Better Recovery of Overpayments. Section 4005(c)(1) of P.L. 110-252, as amended allows states but does not require states to offset EUC08 payments by non-fraud overpayments. Any offset under current law may not be more than 50% of total EUC08 benefit.	*H. §2164.* If an individual received an unemployment benefit overpayment, states would be required to offset EUC08 benefit. States would be required to offset by at least 50% of the EUC08 benefit in any week.	No provision.
Flexibility to Improve Unemployment Program Solvency. Section 4001(g) of the Supplemental Appropriations Act of 2008 (P.L. 110-252), as amended, prevents states from decreasing the average weekly benefit amount of regular UC payments. That is, a state is not permitted to pay an average weekly UC benefit that is less than what would have been paid under state law prior to what was	*H. §2165.* Would repeal the "nonreduction rule" in terms of the regular UC benefit amount. This would give states the option to decrease average weekly benefit amounts without invalidating their EUC08 Federal-state agreements.	No provision.

in effect on June 2, 2010. This "nonreduction rule" is a condition of the EUC08 Federal-State agreement of P.L. 110-252, as amended.		

Subtitle C--Medicare Extensions; Other Health Provisions

PART 1 –MEDICARE EXTENSIONS

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Physician payment update. Current Law: Physician payments under Medicare Part B are determined each year by multiplying the relative values units (for work, practice expense and malpractice premiums) by a conversion factor. The annual update to the conversion factor calculation is based on a formula derived from the following factors: (1) the Medicare Economic Index (MEI), which measures the weighted average annual price changes in the inputs needed to produce physician services; (2) the Update Adjustment Factor (UAF), used to equate actual and target (allowed) expenditures; and (3) allowed expenditures, equal to the actual expenditures updated by the Sustainable Growth Rate (SGR). Beginning in 2003 and continuing through 2011, the conversion factor (i.e., the update to reimbursements under the physician fee schedule) was not determined by the statutory formula, which would have required reductions in the reimbursement rates, but instead specified in legislative overrides. However, under current law, the 2012 conversion factor is to be determined according to the statutory formula, which is projected to lower reimbursement rates by 27.4 percent in 2012 over 2011.	*H. §2201.* The proposal would set the conversion factor updates for 2012 and for 2013 to be 1.0 percent for each year; beginning in 2014 and in subsequent years, the calculation of the conversion factor would revert to the statutory formula. The proposal also requires studies by (1) the Secretary of HHS to examine options for bundled or episode-based payments for physician services, due Jan. 1, 2013; (2) the Government Accountability Office (GAO) to examine private initiatives that adjust physician payment rates to reflect quality and efficiency, due Jan. 1, 2013; and (3) the Medicare Payment Advisory Commission (MedPAC) to examine the feasibility of aligning private payer quality and efficiency programs with those in the Medicare program, due March 1, 2013.	S. *§301.* The proposal would set the conversion factor update for the first two months of 2012 to equal zero percent. Beginning in March 2012 and in subsequent years, the calculation of the conversion factor would revert to the statutory formula.
Ambulance add-ons. Current Law: Bonus payments were established for ground ambulance services that originate in a qualified rural area and are furnished on or after July 1, 2004, and	H. §2202. The 3 percent and 2 percent increases to the Medicare ambulance fee schedule for rural and other areas as well as Medicare's payments for super rural ambulance services would be extended through December 31,	S. *§306.* The rural, other, and super rural add on payments would be extended for services through February 29, 2012. The air ambulance provision would be extended through February 29, 2012.

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before January 1, 2010. The qualified rural areas (also called super rural) are those where the ambulance transport originates in a rural area determined by the Secretary to be in the lowest 25th percentile of all rural populations arrayed by population density. As established by the Centers for Medicare and Medicaid Service (CMS), super rural bonus payments increase the base rate by 22.6 percent. Subsequently, the Medicare rate for ground ambulance services otherwise established for the year was increased an additional 3 percent for rural ambulance services and 2 percent for other areas for the period July 1, 2008, through December 31, 2009. Areas designated as rural on December 31, 2006, are treated as rural for purposes of payments for air ambulance services during this period as well. The Patient Protection and Affordable Care Act (ACA, P.L. 111-148) extended Medicare's bonus payments in qualified rural areas, its increased ground ambulance payments, and provided that Medicare would continue to pay certain urban air ambulance services as rural through December 31, 2010. The Medicare and Medicaid Extenders Act of 2010 (Extenders Act, P.L. 111-309) established the Medicare payment provisions for the above ambulance services through December 31, 2011. GAO issued a report in 2007, Ambulance Providers: Costs and Expected Medicare Margins Vary Widely (GAO-07-383).	2012. There is no extension of the air ambulance provision (where all areas designated as rural on December 31, 2006 continue to be paid as rural areas). GAO would be required to update its 2007 ambulance report no later than October 1, 2012. MedPAC would be required to conduct a study with recommendations of the appropriateness of add-on ambulance payments, the effect of these payments on Medicare margins, and the need to reform the Medicare ambulance fee schedule. The MedPAC report would be submitted to committees with jurisdiction over Medicare no later than July 1, 2012.	
Medicare payment for outpatient therapy services. Current Law: There are two annual per beneficiary payment limits for all outpatient therapy services provided by non-hospital providers. For 2012, the annual limit on the allowed amount for outpatient physical therapy and speech-language pathology combined is $1,880, and there is a separate limit for occupational therapy, also $1,880. The Secretary was required to	*H. §2203.* This provision would extend the policy that provides an exception process through December 31, 2013 and add new criteria to the exceptions process. When requesting an exception to the cap, the claim for the outpatient therapy services would be required to include an appropriate modifier indicating that the services were medically necessary as justified by appropriate documentation in the medical record. For service claims beginning July 1, 2012, the services provided with respect to the request for an exception would be	*S. §304.* The provision would extend the exceptions process for Medicare therapy caps through February 29, 2012.

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implement an exceptions process for cases in which the provision of additional therapy services was determined to be medically necessary. Congress has extended this exceptions process several times (Medicare Improvements for Patients and Providers Act of 2008, MIPPA, P.L. 110-275;the Temporary Extension Act of 2010, P.L 111-144; ACA (as amended); and the Extenders Act. The current extension expires on December 31, 2011.	subject to a manual medical review process similar to the manual medical review process used for certain exceptions in 2006, if the expenses for these services exceeded the threshold of $3,700 (applied separately) for (1) physical therapy and speech language pathology services, and (2) occupational therapy services. In addition, therapy furnished as hospital outpatient services would also apply towards the cap. All claims submitted would include the national provider identifier of the physician who periodically reviews the plan for therapy services, and the Comptroller General would submit a report by May 1, 2013 on the implementation of the manual medical review process. By March 1, 2013, MedPAC would provide Congress with recommendations on how to improve the outpatient therapy benefit, including recommendations on how to reform the payment system, and an examination of private sector initiatives relating to outpatient therapy benefits.	
Work geographic adjustment. Current Law: Each of the three components of the Medicare physician fee schedule (physician work, practice expense, and medical liability insurance) is modified by a geographic practice cost index (GPCI) to reflect differences in the cost of resources when determining the reimbursement amount. For services furnished on or after January 1, 2004 and before January 1, 2012, the physician work GPCI is increased to a floor of 1.0 for any physician payment locality where the index would otherwise be less than 1.0.	*H. §2204.* The proposal would extend the 1.0 floor for the physician work GPCI through December, 2012 and require the MedPAC to report by June 1, 2012 on whether any geographic adjustment to the physician work component is needed and if so, what that level should be and where it should be applied.	*S. §303.* The proposal would extend the 1.0 floor for the physician work GPCI through February, 2012.

PART 2–OTHER HEALTH PROVISONS

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Qualifying individual (QI) program. Current Law: The Balanced Budget Act of 1997 (BBA97, P.L. 105-33) required states to pay Medicare Part B premiums for a new group of low-income Medicare beneficiaries – Qualifying Individuals (QIs) -- whose income was between 120 percent and 135 percent of the Federal Poverty Limit. BBA97 also amended the Social Security Act (SSA) to provide for Medicaid payment for QIs through an annual transfer from the Supplementary Medical Insurance Trust Fund (Part B). States (and the District of Columbia) receive 100 percent federal funding to pay QI's Medicare premiums up to the federal allocation, but no additional matching beyond this annual allocation. There were approximately 382,200 QI individuals in FY2010. Since it was first funded in October 1, 1998, the QI program has been extended 12 times. The QI program currently is funded through the first quarter of FY2012, which ends December 31, 2011. Since 2007, QI appropriations have more than doubled. Most recently, the QI program was reauthorized by Sec. 110 of the Extenders Act, which allotted $720 million for January 1, 2011 through September 30, 2011, and $280 million for October 1, 2011 through December 31, 2011.	*H. §2211.* This provision would reauthorize and fund the QI Program for the second through the fourth quarters of FY 2012 (January 1, 2012-September 31, 2012) and the first quarter of FY 2013 (October 1, 2012-December 31, 2012. QI funding under this provision would be $450 million for the second through the fourth quarters of FY 2012 (January 1, 2012 through September 30, 2012) and $280 million for the first quarter of FY 2013 (October 1, 2012 through December 31, 2012).	*S. §310.* This provision would reauthorize the QI program for two months beginning on January 1, 2012 and ending February 29, 2012. This provision would provide $150 million for the QI program for the first two months of the second quarter of FY2012 (January 1, 2012-February 29, 2012).
Extension of Transitional Medical Assistance (TMA). Current Law: States are required to continue Medicaid benefits for certain low-income families who would otherwise lose coverage because of changes in their income. This continuation is called transitional medical assistance (TMA). Federal law permanently requires four months of TMA for families who lose Medicaid eligibility due to increased child or spousal support collections, as well as those who lose eligibility due to an increase in earned income or hours of employment. However,	H. §2212. The House bill would extend work-related TMA eligibility provisions through December 31, 2012. The provision (effective January 1, 2012) would also extend some of the income reporting requirements that apply to individuals seeking extensions of TMA under Section 1925 to individuals during an initial period of eligibility. These reporting requirements would apply to all states (regardless of whether a state chooses the 12-month TMA option). Specifically, to maintain eligibility during an initial period	*S. §311.* The provision would extend work-related TMA through February 29, 2012.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Congress expanded work-related TMA under Section 1925 of the Social Security Act in 1988, requiring states to provide at least six, and up to 12, months of coverage for families who meet certain requirements, including income reporting requirements at certain specified intervals. Since 2001, these work-related TMA requirements have been funded by a series of short-term extensions, most recently through December 31, 2011. Among other requirements, the American Recovery and Reinvestment Act (ARRA, P.L. 111-105) gave states the option to treat any reference to a 6-month period as a reference to a 12-month period for purposes of the initial eligibility period for work-related TMA, in which case the additional 6-month extension (and related income reporting requirements) does not apply. States are also permitted to waive the requirement that a family has received Medicaid in at least three of the last six months in order to qualify.	of TMA eligibility, the provision would require families to report their gross monthly earnings and child care costs in each of the first three months of coverage not later than the 21st day of the fourth month of coverage (or in the case of a state that elects to provide TMA for 12 months as the initial eligibility period, the provision would require families to report their gross monthly earnings and child care costs in the 4th, 7th, and 11th month), unless the family has established good cause for the failure to report on a timely basis. For the first three months of TMA coverage, there is no income limit. However, beginning with the fourth month of coverage, states would be required to show that monthly earnings do not exceed 185% of poverty. A state would be required to certify that the family's average gross monthly earnings during the first 3 months of coverage do not exceed 185% of the Federal Poverty Level - a requirement already in place for states for the second 6-month period of TMA coverage – in order to qualify for coverage beyond the first three months. The provision specifies the circumstances under which states are permitted to suspend the extension of eligibility for TMA, or terminate TMA coverage, during the first 6-month period (which are identical to the rules under current law for the second 6-month period). As mentioned, this provision would apply beginning January 2012 (except for individuals who receive TMA coverage during an initial six-month period when such six-month period includes December 2011). For individuals enrolled in a 12-month program prior to January 1, 2012, the reporting requirements would only be required for the second 6-month period of coverage (7th and 11th months).	
Modification of Requirements for Qualifying for Exception to Medicare Prohibition on Certain Physician Referrals for Hospitals. Current Law: Section 1877 of the Social Security Act,	*H. §2213.* This section would amend the physician self-referral law to allow hospitals that had physician ownership and investment as of December 31, 2010 and were under construction as of that date to also meet the whole hospital exception. With respect to the restrictions on	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
often referred to as the physician self-referral law or the Stark Law, prohibits certain physician referrals for "designated health services,"(DHS) that may be paid for by Medicare or Medicaid. In its basic application, the law provides that if a physician (or an immediate family member of a physician) has a "financial relationship" with an entity, the physician may not make a referral to the entity for the furnishing of DHS for which payment may be made under Medicare or Medicaid, and the entity may not present (or cause to be presented) a claim to the federal health care program or a bill to any individual or entity for DHS furnished pursuant to a prohibited referral. The physician self-referral law includes several exceptions, which have been added to and expanded upon by a series of regulations. Under one of these exceptions, commonly referred to as the "whole hospital exception," a physician may refer a patient to a hospital in which the physician has an investment or ownership interest, so long as (1) the referring physician is authorized to perform services at the hospital; (2) the ownership or investment interest is in the whole hospital, and not just a subdivision of it; and (3) the hospital meets certain new requirements, established in section 6001 of ACA. In general, section 6001 of ACA, as amended, restricts the ability of new physician-owned hospitals to meet the whole hospital exception. Under ACA, the whole hospital exception cannot be met unless the hospital had: (1) physician ownership or investment as of December 31, 2010, and (2) a provider agreement in effect on that date. Physician-owned hospitals must also comply with several additional requirements and limits on hospital expansion. With respect to the restrictions on hospital expansion, ACA provides that the number of operating rooms,	hospital expansion, the bill would remove all but the nondiscrimination criteria that hospitals must currently meet in order to be considered an "applicable hospital." Accordingly, physician owned hospitals may be able expand their facilities so long as they neither discriminate against federal health care beneficiaries nor permit physicians practicing at the hospital to discriminate against these beneficiaries. The amendments made under this section would be effective as if included in the enactment of ACA.	

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
procedure rooms, or beds of the physician-owned hospital cannot increase after the enactment date. However, the Act directs the Secretary of HHS to establish and implement a process under which an "applicable hospital" … or a "high Medicaid facility" can apply to expand its facility. Under ACA, an applicable hospital is one that: • Is located in a county that experiences a certain amount of population growth, as specified in the Act; • Has an equal or greater number of inpatient admissions of Medicaid beneficiaries than other hospitals in the same county; • Does not discriminate against beneficiaries of federal health care programs and does not permit physicians practicing at the hospital to discriminate against these beneficiaries; • Is located in a state in which the average bed capacity is less than the national average; and • Has an average bed occupancy rate that is greater than the rate in the state where the hospital is located. It should be noted that these restrictions on physician-owned hospitals, as added by ACA, also affect rural providers.		

PART 3–OFFSETS

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Adjustments to maximum thresholds for recapturing overpayments resulting from certain Federally-subsidized health insurance. Current Law: Under the ACA, certain individuals will be eligible for tax credits to pay for insurance purchased in health insurance exchanges, beginning in 2014. The	*H. §2221.* This section would replace the current repayment caps with caps at greater levels (but still under 400% FPL). The repayment caps would range from $600 to $3,200 for married taxpayers: $600 for taxpayers with income less than 100% FPL; $800 for income at least 100% and less than 150% FPL; $1,000 for income at least 150% but less than 200% FPL; $1,500 for income at least 200% but less than 250% FPL; $2,200 for income at least 250%	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
premium credits may be advanced to the taxpayer, prior to the filing of individual income taxes. After the end of the tax year, the total advance payments will be reconciled with the total credit due to the taxpayer for that year; excess payments will be paid back by the taxpayer. However, the law was amended by the Extenders Act and subsequently amended by the Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011 (P.L. 112-9). The repayment amounts are capped according to income. In the case of married taxpayers with income under 400% FPL, any repayment will be capped: $600 for taxpayers with income less than 200% FPL; $1,500 for income at least 200% and less than 300% FPL; and $2,500 for income at least 300% and less than 400% FPL. The repayment caps will be one-half of the above amounts for single taxpayers with income under 400% FPL.	but less than 300% FPL; $2,500 for income at least 300% but less than 350%; and $3,200 for income at least 350% but less than 400% FPL. The repayment caps would be one-half of these amounts for single taxpayers with income under 400% FPL.	
Prevention and Public Health Fund. Current Law: ACA Section 4002 established a Prevention and Public Health Fund (PPHF), appropriated in perpetuity, to be used to support prevention, wellness, and other public health-related programs and activities authorized under the Public Health Service Act. ACA appropriated the following amounts to the PPHF: $500 million for FY2010; $750 million for FY2011; $1 billion for FY2012; $1.25 billion for FY2013; $1.5 billion for FY2014; and $2 billion for FY2015 and each fiscal year thereafter.	*H. §2222.* This section would decrease appropriations to the PPHF to $640 million annually, in perpetuity, beginning in FY2013.	No provision.
Parity in Medicare payments for hospital outpatient department evaluation and management office visit services. Current Law: When a physician treats a beneficiary in a hospital outpatient department, the physician's services are reimbursed under Medicare's physician fee schedule and the hospital receives a facility payment from	*H. §2223.* Starting in CY2012, the hospital would receive reduced facility fee payments for evaluation and management services provided in a hospital outpatient department so that payment for the service in aggregate would not exceed the amount under the Medicare physician fee schedule. These lower payments would not be considered in the review of different components of Medicare's OPPS to ensure that annual adjustments are	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Medicare under the outpatient prospective payment system (OPPS).	budget neutral.	
Reduction of bad debt treated as an allowable cost. Current Law: Medicare reimburses certain providers for beneficiaries' unpaid coinsurance and deductible amounts after reasonable collection efforts. Historically, Medicare has reimbursed 100 percent of these bad debts. BBA97 reduced the existing 100 percent of bad debt reimbursement in acute care hospitals to 75 percent reimbursement in 1998; to 60 percent reimbursement in 1999 and to 55 percent reimbursement in subsequent years. The Benefits Improvement and Protection Act of 2000 (BIPA, P.L 106-554) froze the reduction at 70 percent reimbursement in FY2001 and for subsequent years. The Deficit Reduction Act of 2005 (DRA; P.L. 109-171) reduced the payment amount for Medicare-allowable skilled nursing facility (SNF) bad debt from 100 percent to 70 percent, except for the bad debt attributable to beneficiaries eligible for both Medicare and Medicaid (dual eligibles), effective for cost reporting periods beginning on or after October 1, 2005. Certain other Medicare providers' allowable beneficiary bad debt is reimbursed at 100 percent. Specifically, Medicare reimburses 100 percent of beneficiaries' allowable bad debt in critical access hospitals, rural health clinics, federally qualified health clinics, community mental health clinics, health maintenance organizations reimbursed on a cost basis, competitive medical plans, and health care prepayment plans. Medicare also reimburses end stage renal disease facilities 100 percent of allowable bad debt claims; these payments are capped at the facilities' unrecovered costs. The Omnibus Budget Reconciliation Act of 1987 (OBRA 1987, P.L.100-203) as subsequently modified, barred the Secretary from changing the agency's Medicare bad debt collection policies in effect on Aug. 1, 1987, or requiring	*H. §2224.* Medicare would reimburse hospitals 65 percent of allowable bad debt in FY2013, 60 percent in FY2014 and 55 percent in cost reporting periods in subsequent fiscal years. Medicare would reimburse SNFs allowable bad debt not attributed to dual eligibles in the same fashion (65 percent in FY2013; 60 percent in FY2014 and 55 percent in subsequent years). Allowable bad debt in SNFs attributed to dual eligibles would be reimbursed at 85 percent in FY2013, at 70 percent in FY2014 and at 55 percent in subsequent fiscal years. Allowable bad debt reimbursement for certain other providers would be 85 percent in FY2013, 70 percent in FY2014, and 55 percent for subsequent fiscal years. Additionally, the moratorium on changes to bad debt collection policies and practices would be eliminated effective October 1, 2012.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
a hospital to change its debt collection if a fiscal intermediary has accepted the provider's debt collection policy in effect as of Aug. 1, 1987.		
Rebasing of State DSH allotments for fiscal year 2021. Current Law: The Medicaid statute requires states to provide supplemental financial assistance to hospitals treating large numbers of low-income and Medicaid patients through disproportionate share hospital (DSH) payments. The federal government distributes federal DSH funds through allotments to each state based on a statutory formula (Section 1923(f)(3) of the Social Security Act). The states, in turn, distribute their portion of the DSH funding among qualifying hospitals. Since the number of uninsured individuals is expected to decrease as a result of ACA, the statute requires the Secretary to make aggregate reductions in federal Medicaid DSH allotments equal to $500 million in FY2014, $600 million in FY2015, $600 million in FY2016, $1.8 billion in FY2017, $5.0 billion in FY2018, $5.6 billion in FY2019, and $4.0 billion in FY2020. To achieve these reductions, the Secretary must take specific criteria into account. Under current law, in FY2021, states' DSH allotments will be determined as DSH allotments were determined prior to the ACA changes.	*H. §2225.* For FY2021, a state's DSH allotment would be the FY2020 allotment increased by the percentage change in the consumer price index for all urban consumers (CPI-U). In subsequent years, federal DSH allotments would be each state's prior year allotment increased annually by the same inflation adjuster.	No provision.

Subtitle D—TANF Extension

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Program Authorization and Funding. The Temporary Payroll Tax Cut Continuation Act of	H. §2302. Provides FY2012 appropriations for TANF state family assistance grants, healthy marriage and responsible	S. §312. Extends program authorization and funding for TANF through February 29, 2012. Grants are funded at the

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
2011 (P.L. 112-78) provided program authorization and funding for most Temporary Assistance for Needy Families (TANF) grants through February 29, 2012. It provided authority and funding for state family assistance grants (the basic block grant), healthy marriage and responsible fatherhood grants, mandatory child care grants, tribal work program grants, matching grants for the territories, and research funds. Grants are funded at the same level as in FY2011, and paid on a pro-rated quarterly basis. No funding was provided for TANF supplemental grants. The TANF contingency fund was provided an FY2012 appropriation in legislation enacted in 2010, P.L. 111-242.	fatherhood grants, mandatory child care grants, tribal TANF work programs, matching grants for the territories, and research funds. FY2012 grants are provided at the same level as were provided in FY2011.	same level as in FY2011, and paid on a pro-rated quarterly basis. (Provision is the same as current law. It is identical to that subsequently enacted in P.L. 112-78.)
Data Standardization. States are required to report case- and individual-level demographic, monthly financial and monthly work participation information to the Department of Health and Human Services (HHS) on a quarterly basis.	H. §2303. Requires HHS to issue a rule designating standard data elements for any category of information required to be reported under TANF. The rule would be developed by HHS in consultation with an interagency workgroup established by the Office of Management and Budget (OMB) and with consideration of state and tribal perspectives. To the extent practicable, the standard data elements required by the rule would be non-proprietary; permit data to be exchanged; and incorporate the interoperable standards developed and maintained by other recognized bodies. To the extent practicable, the data reporting standards required by the rule would incorporate a widely-accepted, non-proprietary, searchable, computer-readable format; be consistent with and implement applicable accounting principles; be capable of being continually upgraded as necessary; and incorporate existing nonproprietary standards, such as the "eXtensible Business Reporting Language." The data standardization requirement would take effect on October 1, 2012.	No provision.
Spending Policies for Assistance Under TANF Programs. No provision.	H. §2304. Requires states to maintain policies and practices to prohibit TANF assistance from being used in any transaction in liquor stores, casinos and gaming establishments, and strip clubs. States have up to 2 years after enactment to implement such policies and	No provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	practices. States that fail to comply are at risk of being penalized by up to a 5% reduction in their block grant.	
Technical Corrections.	H. §2305. Makes technical corrections to the TANF statute.	No provision.

TITLE III—FLOOD INSURANCE REFORM

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Title	Title III of Middle Class Tax Relief and Job Creation Act of 2011 (Sec. 3001)	Temporary Payroll Tax Cut Continuation Act of 2011
Purpose	To authorize the National Flood Insurance Program (NFIP), achieve reforms designed to improve the financial integrity and stability of the program, and increase the role of private markets in the management of flood insurance risk.	To extend the payroll tax holiday, unemployment compensation, Medicare physician payment, provide for the consideration of the Keystone XL pipeline, and for other purposes.
Program Extension	Would authorize the NFIP to enter into and renew flood insurance policies through September 30, 2016. (Sec. 3002)	No similar provision.
Reform of Premium Rate Structure		
Increase in Annual Limitation on Premium Increase. Current Law: Federal Emergency Management Agency (FEMA) is authorized to increase chargeable risk premium rates for flood insurance for any properties within any single risk classification 10% annually. 42 U.S.C. 4015 (e)	H. §3005(a). Would increase the annual cap on premium increases from 10% to 20%.	No similar provision.
Phase-In of Flood Insurance Rates For Certain Properties in Newly Mapped Areas. Current Law: Full actuarial rates begin on the effective date of a revised Flood Hazard Boundary Map or Flood Insurance Rate Map for a community. § 61.11	H. §3005(b). Would clarify that newly mapped properties are phased-in to full actuarial, flood insurance rates at a consistent rate of 20% per year over 5 years and requires that newly mapped property owners pay 100% of actuarial rates at the end of the 5 year phase-in	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	period. For areas eligible for the lower-cost Preferred Risk Policy (PRP) rates, the phase-in begins after the expiration of their PRP rates. For all properties, the phase-in of rates only apply to residential properties occupied by their owner or a bona fide tenant as a primary residence.	
Phase-In of Full Actuarial Rates for Some Pre-Flood Insurance Rate Map properties (FIRM). Current Law: FEMA is authorized to establish risk premium rates for flood insurance coverage. The agency is also authorized to offer "chargeable" (subsidized) premium rates for pre-FIRM buildings. Post-FIRM structures (i.e., buildings constructed on or after December 31, 1974) and the effective date of the FIRM, whichever is later, must pay the full actuarial risk premium rates. § 61.8	H. §3005(c). Would require that, beginning one year after enactment, the premium rate subsidies (pre-FIRM discounts) for certain properties in the following categories be phased-out, with annual rate increases limited by a 20 percent annual cap. This would apply to commercial properties, second and vacation homes (i.e., residential properties not occupied by an individual as a primary residence), homes sold to new owners, homes damaged or improved (substantial flood damage exceeding 50 percent or substantial improvement exceeding 30 percent of the fair market value of the property), and properties with multiple flood claims (i.e., statutorily defined severe repetitive loss properties.	No similar provision.
Prohibition of Extension of Subsidized Rates to Lapsed Policies. Current Law: Pre-FIRM structures continue to receive subsidized premium rates after the lapsed policy provided the policyholder pays the appropriate premium to reinstate the policy.	H. §3005(d). Would remove the eligibility of property owners who allow their policies to lapse by choice to receive discounted rates on those properties.	No similar provision.
Recognition of State and Local Funding for Construction of Flood Protection Systems in Determination of Rates. Current Law: FEMA authorized to determine whether a community has made adequate progress on the construction of a flood protection system involving federal funds. Adequate progress means the community	H. §3005(e). Would update the standards by which FEMA evaluates a community's eligibility for special flood insurance rates by considering state and local funding, in addition to federal funding, of flood control projects.	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
has provided FEMA with necessary information to determine that 100% of the cost has been authorized, 60% has been appropriated or 50% has been expended. § 61.12		
Mandatory Purchase Requirements		
Delay in Mandatory Purchase Requirement for Property Owners Placed in Special Flood Hazard Areas . Current Law: The NFIP requires the purchase of flood insurance on and after March 2, 1974, as a condition of receiving any form of federal or federally-related financial assistance for acquisition or construction purposes with respect to insurable buildings and mobile homes within an identified special flood, mudslide, or flood-related erosion hazard area that is located within any community participating in the NFIP. § 59.2 The mandatory purchase of insurance is required in areas identified as being within designated Zones A, A1-30, AE, A99, AO, AH, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, V1-30, VE, V, VO, M, and E. §64.3	H. §3004(a). Would authorize the Administrator of FEMA to delay mandatory purchase requirement for owners of properties in newly designated special flood hazard areas. The delay would not be longer in duration than 12 months with the possibility of two 12 month extensions at the discretion of FEMA Eligible areas defined as an area that meets the following three requirements: (1) area with no history of special flood hazards; (2) area with a flood protection system under improvement; or (3) area has filed an appeal of the designation of the area as having special flood hazards. Upon a request submitted from a local government authority, FEMA could suspend the mandatory purchase for a possible fourth and fifth year for certain communities that are making more than adequate progress in their construction of their flood protection systems.	No similar provision.
Elevation Certificates Used to Temporally Suspend Mandatory Purchase Requirement . Current Law: When FEMA has provided a notice of final flood elevations for one or more special flood hazard areas (SFHA) on the community's FIRM, the community shall require that all new construction and substantial improvements of residential structures within Zones A1-30, AE and AH zones on the community's FIRM have the lowest flood (including basement) elevation to or above the base flood level, unless the community is granted an exception by FEMA for the allowance of basements. § 60.3(a)	H. §3007(e). Would clarify that mandatory purchase requirement would not apply to a property located in an area designated as having a special flood hazard if the owner of such property submits to FEMA an elevation certificate showing that the lowest level of the primary residence is at an elevation that is at least three feet higher than the elevation of the 100-year flood plain. FEMA would be required to accept as conclusive each elevation certificate unless the Administrator conducts a subsequent elevation survey and determines that the lowest level of the primary residence in question is not at an elevation that is at least three feet higher than the	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Structures in SFHAs that receive any form of federal or federally-related financial assistance are required to purchase flood insurance. § 59.2(a)	elevation of the 100-year flood plain. Would require FEMA to expedite any requests made by an owner of a property showing that the property is not located within the area having special flood hazards. FEMA would be prohibited from charging a fee for reviewing the flood hazard data with respect to the expedited request and requiring the owner to provide any additional elevation data.	
Notification to Homeowners Regarding Mandatory Purchase Requirement Applicability and Rate Phase In. Current Law: FEMA required to provide notice of final base flood elevations within Zones A1-30 and/or AE on the community's FIRM that is available for public viewing by homeowners in SFHAs. §60.3(e) Structures located in these zones are classified as SFHA and are, therefore, required to purchase flood insurance. § 59.2(a)	H. §3014. Would require the Administrator of FEMA, in consultation with affected communities, to notify annually residents in areas having special flood hazards that they reside in such an area, the geographic boundaries of such areas, the requirements to purchase flood insurance coverage and the estimated cost of flood insurance coverage.	No similar provision.
Notice of Flood Insurance Availability and Escrow in RESPA Good Faith Estimate. Current Law: The NFIP was established to provide flood insurance protection to property owners in flood-prone areas. However, flood insurance is only available in communities that participate in the NFIP. §59.2 To qualify for flood insurance availability a community must apply for the entire area within its jurisdiction and shall submit copies of legislative and executive actions indicating a local need for flood insurance and an explicit desire to participate in the NFIP. §59.22	H. §3017. Would amend Real Estate Settlement Procedures Act of 1974 (RESPA) to require mortgage lenders to include specific information about the availability of flood insurance in each good-faith estimate.	No similar provision.
Private Insurance Used to Satisfy Mandatory Purchase Requirement. Current Law: FEMA authorized to enter into	H. §3003(c). Would require lenders to accept flood insurance from a private company if the policy fulfills all federal requirements for flood insurance.	No similar provision.

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arrangements with individual private sector property insurance companies or other insurers, such as public entity risk sharing organizations. Under this Write-Your-Own company arrangement, such companies may offer flood insurance coverage under the program to eligible applicants. § 62.23		
Forced-Placed Insurance. Current Law: No current law.	H. §3003(b)(3). Would require lenders or servicing companies to terminate policies purchased on behalf of the homeowner to satisfy the mandatory purchase requirement within 30 days of being notified that the homeowner has purchased another policy. Lenders would be required to refund any premium payments and fees made by the homeowner for the time when both policies were in effect. Moreover, the declaration page in the insurance policy would be considered sufficient to demonstrate having met the mandatory insurance purchase requirements.	No similar provision.
Escrow of Flood Insurance Payments. Current Law: No current law.	H. §3018. Would amend RESPA to explicitly state that the escrowing of flood insurance payments is required for many types of loans.	No similar provision.
Reform of Coverage Terms		
Increase Maximum Coverage for Structures and Contents Policies. Current Law: The maximum amount of coverage for a single family residential structure is $250,000 and $100,000 for personal contents. The limit for non-residential building structures is $500,000 and $500,000 for contents. § 61.6	H. §3004(b). Would authorize insurance coverage under policies issued by the NFIP be adjusted for inflation since September 30, 1994.	No similar provision.
Minimum Policy Claims Deductible. Current Law: No current law	H. §3004(a) Would set the minimum deductible levels at $1,000 for properties with full-risk rates and $2,000 for properties with discounted rates. Would also establish that maximum coverage limits be indexed for inflation,	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	starting in 2012.	
Clarification of Residential and Commercial Coverage Limits. Current Law: No current law	H. §3004(b). Would clarify that insured or applicants for residential insurance coverage under the NFIP would receive up to an "aggregate liability" of $250,000 per claim rather than a "total amount" of $250,000. Nonresidential property owners would be insured for a total of $500,000 aggregate liability for structure and $500,000 aggregate liability for content. These amounts would be adjusted or indexed for inflation using the percentage change over the period beginning on September 30, 1994 through the date of enactment of the law.	No similar provision.
New Lines of Insurance for Additional Living Expenses and Business Interruption. Current Law: Insurance coverage under the NFIP is available only for property structures and personal contents. §61.3	H. §3004(d). Would authorize the Administrator of FEMA to offer optional coverage for additional living expenses, up to a maximum of $5,000, as well as to offer optional coverage for the interruption of business operations up to a maximum of $20,000, provided that FEMA: (1) charges full–risk rates for such coverage; (2) makes a finding that a competitive private market for such coverage does not exist; and (3) certifies that the NFIP has the capacity to offer such coverage without the need to borrow additional funds from the U.S. Treasury.	No similar provision.
Notification to Policyholders Regarding Direct Management of Policy by FEMA. Current Law: FEMA is authorized to enter into arrangements with individual private insurers to offer flood coverage to policyholders. §62.23	H. §3016. Would require the Administrator of FEMA to notify the holders of direct policies managed by FEMA that they could purchase flood insurance directly from an insurance company licensed by FEMA to administer NFIP policies. The coverage provided or the premiums charged to holders of flood insurance policies that are administered by an insurance company are no different from those directly managed by FEMA.	No similar provision.
Notification to Tenants of Availability of Contents Insurance.	H. §3015. Would require the Administrator of FEMA to notify tenants of a property located in areas having special	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Current Law: No current law.	flood hazard, that flood insurance coverage is available under the NFIP for contents of the unit or structure leased by the tenant, the maximum amount of such coverage for contents, and how to obtain information regarding how to obtain such coverage.	
Treatment of Swimming Pool Enclosures Outside of Hurricane Season. Current Law: The Standard Flood Insurance Policy issued under the NFIP excludes coverage for hot tubs and spas that are not bathroom fixtures, and swimming pools, and their equipment, such as, but not limited to, heaters, filters, pumps, and pipes, wherever located. Appendix A(1) to Part 62	H. §3021. Would require under the NFIP that the presence of an enclosed swimming pool located at ground level or in the space below the lowest flood of a building after November 30, and before June 1 of any year, would have no effect on the terms of coverage or the ability to receive coverage for such building if the pool is enclosed with non-supporting breakaway walls.	No similar provision.
Premium Payment Flexibility for Residential Properties. Current Law: Payment of full policyholder premium must be made at the time of application or renewal. §61.5	H. §3004(e). Would authorize the Administrator of FEMA to offer policyholders the option of paying their premiums for one-year policies in installments, and authorizes FEMA to impose higher rates or surcharges, or to deny future access to NFIP coverage, if property owners attempt to limit their coverage to coincide only with the annual storm season by neglecting to pay their premiums on schedule.	No similar provision.
Financial and Borrowing Authority		
Reserve Fund. Current Law: FEMA is authorized to issue notes or other obligations to the Secretary of the Treasury, without the approval of the President, to finance the flood insurance program. All funds borrowed under this authority shall be deposited in the National Flood Insurance Fund. 42 U.S.C. § 4016(a)	H. §3025. Would establish a reserve fund requirement to meet the expected future obligations of the National Flood Insurance Program. Phase-in requirements similar to H.R. 3121. For example, requires the Fund to maintain a balance equal to 1% of the sum of the total potential loss exposure of all outstanding flood insurance policies in force in the prior fiscal year, or a higher percentage as the Administrator determines to be appropriate. FEMA has the discretion to set the amount of aggregate annual insurance premiums to be collected for any fiscal year necessary to maintain the reserve ratio, subject to	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	any provisions relating to chargeable premium rtes and annual increases of such rates.	
Repaying Flood Insurance Debt. Current Law: FEMA is authorized to borrow from the U.S. Treasury. Borrowed funds must be repaid with interest. 42 U.S.C. § 4017 (a)(3)	H. §3033. Would require FEMA to submit a report to Congress not later than 6 months after enactment of this Act setting forth a plan for repayment within 10 years on the amounts borrowed from the U.S. Treasury under the NFIP.	No similar provision.
Mitigation Assistance Grants. Current Law: FEMA is authorized to carry out a program to provide financial assistance to states and communities, using amounts made available from the National Flood Mitigation Fund for planning and carrying out activities designed to reduce the risk of flood damage to structures. Such assistance shall be made available to states and communities in the form of grants to carry out mitigation activities. 44 U.S.C. 4104c(a)	H. §3011. Would streamline and reauthorize the Flood Mitigation Assistance Program, the Repetitive Flood Claims Program and the Severe Repetitive Loss Program in order to improve their effectiveness and efficiency. Financial assistance would be made available to states and communities in the form of grants for carrying out mitigation activities, especially with respect to severe repetitive loss structures, repetitive loss structures,, and to property owners in the form of direct grants. Would expand eligibility for mitigation assistance grants from mitigating flood risk to mitigating multiple hazards. Amounts provided could be used only for mitigation activities that are consistent with mitigation plans approved by FEMA. FEMA Administrator could approve only mitigation activities that are determined to be technically feasible, cost-effective, and result in savings to the NFIF. Would expand eligibility to include mitigation activities for the elevation, relocation, and floodproofing of utilities (including equipment that serve structures). FEMA Administrator required to consider demolition and rebuilding of properties as eligible activities under the mitigation grant programs. Establishes a matching requirement for severe repetitive loss structures of up to 100% of all eligible	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	costs and up to 90% for repetitive loss structures. Other mitigation activities would be in an amount up to 75% of all eligible costs. Failure to award a grant within 5 years of receiving a grant application would be considered to be a denial of the application and any funding amounts allocated for such grant applications would remain in the National Flood Mitigation fund. Authorizes $40 million in grants to States and communities for mitigation activities, $40 million in grants to States and communities for mitigation activities for severe repetitive loss structures, and $10 million in grants to property owners for mitigation activities for repetitive loss structures. Would eliminate the Grants Program for Repetitive Insurance Claims Properties. (Sec. 3011(b)) Would eliminate Pilot Program for Mitigation of Severe Repetitive Loss Properties. (Sec. 3011(c)) Would authorize the transfer of $90 million each fiscal year from the National Flood Insurance Fund (NFIF) to the National Flood Mitigation Fund (NFMF). Any amounts transferred to the NFMF that are not used will revert back to the NFIF. (Sec. 3011(e)) Would prohibit offsetting collections through premium rates for flood insurance coverage under this title for amounts available under the NFMF. Would remove authorization for the increased Cost of Compliance coverage under the National Flood Insurance Program.	
Policy Claims and Write-Your-Own Insurers		
FEMA Authority to Reject Transfer of Policies. Current Law: No current law.	H. §3023. Would authorize FEMA to refuse to accept future transfers of policies to the NFIP Direct program.	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Requiring Competition for National Flood Insurance Program Policies. Current Law: No current law.	H. §3028. Would require FEMA to submit a report to Congress describing procedures and policies for limiting the number of flood insurance policies that are directly managed by the Agency to not more than 10% of the total number of flood insurance policies in force. After submitting the report to Congress, the Administrator would have 12 months to reduce the number of policies directly managed by the Agency, or by the Agency's direct servicing contractor that is not an insurer, to not more than 10% of the total number of flood insurance policies in force.	No similar provision.
Flood in Progress Determinations. Current Law: The "Exclusions" section 'V" of the Standard Flood Insurance Policy stipulates that "We do not insure a loss directly or indirectly caused by a a flood that is already in progress at the time and date: (1) the policy term begins; or (2) coverage is added at your request. Appendix A(1) to Part 61. Coverage for new contract for flood insurance coverage shall become effective upon the expiration of the 30-day period beginning on the date that all obligations for such coverage are satisfactorily completed. § 61.11; 42 U.S.C. 4013(c)	H. §3004 and H. §3032. Would clarify the effective date of insurance policies covering properties affected by floods in progress. Property experiencing a flood during the 30-day waiting period following the purchase of insurance would be covered for damage to the property that occurs after the 30-day period has expired, but only if the property has not suffered damage or loss as a result of such flood before the expiration of such 30-day period. Would require FEMA to review the processes and procedures for determining that a flood event has commenced or is in progress for purposes of flood insurance coverage and report to Congress within 6 months.	No similar provision.
Multiple Peril Claims. Current Law: No current law.	H. §3022. Would require FEMA to grant policy holders the right to request engineering reports and other documents relied on by the Administrator and/or participating WYO companies in determining whether the damage was caused by flood or any other peril (e.g., wind). FEMA would also be required to provide the information to the insured within 30 days of the request for information.	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Flood Risk Assessment and Mapping		
FEMA Incorporation of New Mapping Protocols. Current Law: FEMA is authorized to identify and publish information with respect to all areas within the United States having special flood, mudslide, and flood-related erosion hazards. § 65.1	H. §3007. Current Law: Would direct FEMA to establish new standards for FIRMs beginning six months after the Technical Mapping Advisory Council issues its initial set of recommendations. The new standards would delineate all areas located within the 100-year flood plain and areas subject to gradual and other risk levels, as well as ensure the standards reflect the level of protection levees confer. The standard must also differentiate between a property that is located in a flood zone and a structure located on such property that is not at the same risk level for flooding as such property due to the elevation of the structure. and provide that such rate maps are developed on a watershed basis. Would require FEMA to submit a report to Congress specifying which Council recommendations were not implemented and explaining the reasons such recommendations were not adopted. FEMA would have 10 years to update all FIRMs in accordance with the new standards subject to the availability of appropriated funds. Would eliminate requirements to more broadly map areas considered to be residual risk.	No similar provision.
CDBG Eligibility for Flood Insurance Outreach Activities and Community Building Code Administration Grants. Current Law: No current law.	H. §3026. Would authorize the use of Community Development Block Grants to supplement state and local funding for local building code enforcement departments and flood program outreach.	No similar provision.
Notification to Members of Congress of Flood Map Revisions and Updates. Current Law: No current law.	H. §3013. Would require the Administrator of FEMA, upon any revision or update of any floodplain area or flood-risk zone and the issuance of a preliminary flood map, to notify in writing the Senators of each state affected and each Member of Congress for each congressional	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	district affected by the flood map revision or update.	
Notification and Appeal of Map Changes and Notification to Communities of Establishment of Flood Elevations. Current Law: FEMA publishes in the Federal Registry a notice of the proposed flood elevation determination sent to the Chief Executive Officer of the community. The agency also publishes a copy of the community's appeal or a copy of its decision not to appeal the proposed flood elevation determination. §67.3	H. §14. Would require the Administrator of FEMA to establish projected flood elevations and to notify the chief executive officer of each community affected by the proposed elevation a notice of the elevations, including a copy of the maps for the elevations and a statement explaining the process to appeal for changes in such elevations.	No similar provision.
Notification to Residents Newly Included in Flood Hazard Areas. Current Law: FEMA publishes a notice of the community's proposed flood elevation determination in a prominent local newspaper at least twice during the ten day period immediately following the notification of the CEO. §67.4	H. §3020. Would require FEMA to provide to a property owner newly included in a revised or updated proposed flood map a copy of the proposed FIRM and information regarding the appeals process at the time the proposed map is issued.	No similar provision.
Reimbursement of Costs Incurred by Homeowners that obtain a Letter of Map Change. Current Law: A Standard Flood Insurance policyholder whose property has become the subject of a Letter of Map Amendment may cancel the policy within the current policy year and receive a premium refund. §70.8 The policy could be canceled provided (1) the policyholder was required to purchase flood insurance; and (2) the property was located in a SFHA as represented on an effective FIRM when the financial assistance was provided. If no claim under the policy has been paid or is pending, the full premium shall be refunded for the current policy year, and for an additional policy year where the insured had been required to renew the policy. §62.5	H. §3018 and H. §3018(b). Would require the Administrator of FEMA to reimburse owners of any property, or a community in which such property is located, for the reasonable costs involved in obtaining a Letter of Map Amendment (LOMA) and Letter of Map Revision (LOMR) if the change was due to a bona fide error on the part of FEMA. The Administrator would be authorized to determine a reasonable amount of costs to be reimbursed except that such costs would not include legal or attorney fees. The reasonable cost would consider the actual costs to the owner of utilizing the services of an engineer, surveyor or similar services. Would require FEMA to issue regulation pertaining to the reimbursements.	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
Appeals. Current Law: : FEMA publishes a notice of the community's proposed flood elevation determination in a prominent local newspaper at least twice during the ten day period immediately following the notification of the CEO. §67.4 Any owner or lessee of real property, within a community where a proposed flood elevation determination has been made who believes his property rights to be adversely affected by the proposed base flood determination may file a written appeal of such determination with the CEO within 90 days of the second newspaper publication of the FEMA proposed determination. §67.5	H. §3024. Would require FEMA to notify a prominent local television and radio station of projected and proposed changes to flood maps for communities. Would authorize FEMA to grant an additional 90 days for property owners or a community to appeal proposed flood maps, beyond the original 90 day appeal period, so long as community leaders certify they believe there are property owners unaware of the proposed flood maps and appeal period, and community leaders would use the additional 90 day appeal period to educate property owners on the proposed flood maps and appeal process.	No similar provision.
Report on Inclusion of Building Codes in Floodplain Management Criteria. Current Law: The NFIP participating community must provide written assurance that they have complied with the appropriate minimum floodplain management regulation. §60.3	H. §3030. The Administrator of FEMA would be required to conduct a study regarding the impact, effectiveness, and feasibility of including widely used and nationally recognized building codes as part of FEMA's floodplain management criteria and submit a report to the House Committee on Financial Services and Senate Banking, Housing, and Urban Affairs Committee. The study would assess the regulatory, financial, and economic impacts of such building code requirement on homeowners, states and local communities, local land use policies, and FEMA.	**No similar provision.**
Technical Mapping Advisory Council. Current Law: None.	H. §3006. Would establish the Technical Mapping Advisory Council (Council) to develop and recommend new mapping standards for FIRMs. The Council would include representatives from FEMA, the U.S. Geological Survey (USGS), the U.S. Army Corps of Engineers (USACE), other federal agencies, state and local governments, as well as experts from private stakeholder groups. Would require that there is adequate number of	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	representatives from the states with coastlines or the Gulf of Mexico and other states containing areas at high-risk for floods or special flood hazard areas. The Council would submit the new mapping standards for 100-year flood insurance rate maps to FEMA and the Congress within 12 months of enactment and would continue to review those standards for four additional years, at which time the Council would be terminated. Would place a moratorium on the issuance of any updated flood insurance rate maps from the date of enactment until the Council submits to FEMA and Congress the proposed new mapping standards. Would allow for the revision, update and change of rate maps only pursuant to a letter of map change.	
Treatment of Levees. Current Law: FEMA will only recognize in its flood hazard and risk mapping effort those levee systems that meet, and continue to meet, minimum design, operation, and maintenance standards that are consistent with the level of protection sought through the comprehensive floodplain management regulations. §65.10	H. §3008. Would prohibit the Administrator of FEMA from issuing flood insurance maps, or make effective updated flood insurance maps, that omit or disregard the actual protection afforded by an existing levee, floodwall, pump or other flood protection feature, regardless of the accreditation status of such feature.	No similar provision.
Residual Risk Behind Levees. Current Law: Residual risk behind levees is subject to FEMA's regulatory framework found in §65.19, "Mapping of areas protected by levee systems." FEMA provides an accreditation of levee systems that meet a level of protection against the "100-year" or base flood. §65.10	H. §3031. See "Study on Graduated Risk" below.	No similar provision.
Studies and Reports for Congress		
Privatization Initiatives. Current Law: None.	H. §3009(a). Would require the Administrator of FEMA and the Comptroller General of the United States to conduct separate studies to assess a broad range of options, methods, and strategies for privatizing the NFIP. FEMA	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	and GAO would submit reports (within 18 months of the date of the enactment of this Act) to the House Committee on Financial Services and the Senate Banking, Housing, and Urban Affairs Committee that make recommendations for the best manner to accomplish privatization of the NFIP. (Sec. 3009(a))	
Private Risk-Management Initiatives. Current Law: FEMA is authorized to encourage insurance companies and other insurers to form, associate, or otherwise join together in a pool to provide the flood insurance coverage authorized under the NFIP. 44 U.S.C. § 4051 (a)	H. §3009(b). Would authorize the Administrator of FEMA to carry out private risk-management initiatives to determine the capacity of private insurers, reinsurers, and financial markets to assist communities, on a voluntary basis only, in managing the full range of financial risk associated with flooding. The Administrator would assess the capacity of the private reinsurance, capital, and financial markets by seeking proposals to assume a portion of the program's insurance risk and submit to Congress a report describing the response to such request for proposals and the results of such assessment. The Administrator would be required to develop a protocol to provide for the release of data sufficient to conduct the assessment of the insurance capacity of the private sector.	No similar provision.
Reinsurance. Current Law: FEMA is authorized to take such action as may be necessary in order to make available reinsurance for losses which are in excess of losses assumed by private industry flood insurance pools. 42 U.S.C. § 4055(a)	H. §3009(c). The Administrator of FEMA would be authorized to secure reinsurance coverage from private market insurance, reinsurance, and capital market sources in an amount sufficient to maintain the ability of the program to pay claims and that minimizes the likelihood of having to borrow from the U.S. Treasury.	No similar provision.
Report on Inclusion of Building Codes in Floodplain Management Criteria. Current Law: None.	H. §3025. The Administrator of FEMA would be required to conduct a study regarding the impact, effectiveness, and feasibility of including widely used and nationally recognized building codes as part of FEMA's floodplain management criteria and submit a report to the House Committee on Financial Services and Senate Banking,	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	Housing, and Urban Affairs Committee. The study would assess the regulatory, financial, and economic impacts of such building code requirements on homeowners, states and local communities, local land use policies, and FEMA.	
Assessment of Claims-Paying Ability of the NFIP. Current Law: None.	The Administrator would be required to conduct an assessment of the claims–paying ability of the NFIP, including the program's utilization of private sector reinsurance and reinsurance equivalents, with and without reliance on borrowing authority.	No similar provision.
Annual Report on Flood Insurance Program. Current Law: None.	H. §3010. Would require the Administrator of FEMA to submit an annual report to the Congress on the financial status of the NFIP, including current and projected levels of claims, premium receipts, expenses, and borrowing under the program.	No similar provision.
Studies of Voluntary Community-Based Flood Insurance Options. Current Law: None.	H. §3029. Would require the Administrator of FEMA and the Comptroller General of the United States to conduct separate studies to assess options, methods, and strategies for offering voluntary community-based flood insurance under the NFIP. The studies would consider and analyze how the policy options would affect communities having varying economic bases, geographic locations, flood hazard characteristics or classification, and flood management approaches. The report and recommendations would be submitted within 18 months after the enactment of this Act to the House Committee on Financial Services and the Senate Banking, Housing, and Urban Affairs Committee.	No similar provision.
Study on Graduated Risk. Current Law: None.	H. §3031. Would require the National Academy of Sciences (NAS) to conduct a study of methods for understanding graduated risk behind levees and the associated land development, insurance, and risk communication dimensions. The NAS would submit a report with recommendations within 12 months of the date of enactment of this Act to the House Committee	No similar provision.

Provision and Current Law	H.R. 3630 as passed the House	Senate Amendment to H.R. 3630
	on Financial Services and Senate Banking, Housing, and Urban Affairs Committee.	
Miscellaneous Provisions		
U.S. Army Corps of Engineers Specialized or Technical Services. Current Law: None.	H. §3035. Would allow state and local governments to use the Army Corps of Engineers to evaluate locally operated levee systems which were either built or designed by the Corps, and which are being reaccredited as part of a NFIP remapping. All costs associated with evaluations would continue to be covered by the state or local government requesting the evaluation.	No similar provision.

TITLE IV—JUMPSTARTING OPPORTUNITY WITH BROADBAND SPECTRUM ACT OF 2011

Subtitle A—Spectrum Auction Authority

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
National Security Restriction on Use of Funds and Auction Participation. Current Law: No provision	H. § 4005. Payments of funds to and access to spectrum license auctions would be prohibited for any person who is barred by a federal agency for reasons of national security.	No provision.
Deadlines for Auction of Certain Spectrum. Current law provides for auction of electro-magnetic spectrum assigned for federal use but does not establish deadlines for specified frequencies.	H. § 4101. Would set requirements for commercial auctions of electro-magnetic spectrum currently assigned for federal use as described by the bill. With exceptions, process of preparing auctions would begin within three years of enactment.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Current law provides for a Spectrum Relocation Fund. It requires that spectrum license proceeds be paid to the General Fund except in the case of auctions of federal spectrum being reallocated for commercial use in which case unexpended proceeds are held for 8 years before being deposited in the Treasury.	Spectrum license auction proceeds would be distributed to the Spectrum Relocation Fund, which would receive an amount equal to 110% of projected federal agency relocation costs, with the balance deposited with the Public Safety Trust Fund.	
700 MHz Public Safety Narrowband and Guard Band Spectrum. Current law requires that 24 MHz of spectrum licenses in 700 MHz band be assigned for use by public safety agencies. FCC regulations have designated 12 MHz for use by narrowband radios carrying primarily voice communications and 2 MHz as guard bands to mitigate radio interference. Licenses are administered by state and local authorities. Current law requires that auction proceeds be deposited in the General Fund.	H. § 4102. Would require that these spectrum licenses be released for commercial auction within five years of a decision by a federally appointed Administrator. The decision would be triggered by a declaration by the Administrator that technology was available that would allow the migration of voice communications from the 700 MHz narrowband networks to the 700 MHz broadband network, thereby freeing up the narrowband spectrum for auction to the commercial sector. Would allocate $1 billion of auction proceeds to a new grant program for states to acquire radio equipment.	No provision.
General Authority for Incentive Auctions. The FCC has broad regulatory powers that might permit it to reallocate TV broadcasting spectrum. Current law requires that auction proceeds be deposited in the General Fund.	H. § 4103. Would provide the FCC with the authority to establish incentive auctions for television broadcasters, within specified limits. It would create a TV Broadcaster Relocation Fund as a means for broadcasters to receive up to $3 billion of auction revenue to cover relocation costs and for other purposes. Proceeds above that amount would go to the Public Safety Trust Fund through FY2021, after which funds are to be deposited in the General Fund.	No provision.
Special Requirements for Incentive Auction of Broadcast TV Spectrum.	H. § 4104. Would establish procedures for the FCC to follow in reallocating television broadcasting spectrum licenses for commercial auction.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Current Law: No provision.		
Administration of Auctions By Commission. The law requires the FCC to set rules regarding participation in spectrum licenses auctions and for spectrum use (service rules).	H. § 4105. Would set limitations on FCC auction and service rules for future auctions. Would prohibit auction rules that placed new conditions on prospective bidders (spectrum caps). Would prohibit service rules that restrict licensee's ability to manage network traffic (net neutrality) or that would require providing network access on a wholesale basis.	No provision.
Extension of Auction Authority. Authority of FCC to use competitive bidding systems to assign licenses for the use of designated portions of electro-magnetic spectrum expires September 30, 2012.	H. § 4106. Would extend the FCC's auction authority through FY 2021.	No provision.
Unlicensed Use in the 5GHz Band. Current Law: No provision.	H. § 4107. Would lay the groundwork to expand commercial use of unlicensed spectrum within the federally managed 5GHz band of wireless spectrum by requiring the FCC to commence a proceeding as described in the bill..	No provision.

Subtitle B—Advanced Public Safety Communications

PART 1— NATIONAL IMPLEMENTATION

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Licensing of Spectrum to Administrator. No provision. The FCC is empowered to manage public safety use and assign access to spectrum. FCC has assigned a single, nationwide license for 10 MHz of public safety broadband spectrum, which it regulates.	H. § 4201. Would assign a total of 20 MHz of 700 MHz spectrum designated for public safety use to an Administrator, competitively chosen by the NTIA. The Administrator would manage the distribution of spectrum capacity to individual states and enforce requirements established in	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
The law requires that the D Block be auctioned for commercial purposes, with proceeds deposited in the General Fund.	the bill. Specifically, provisions would reallocate 10 MHz (the D Block) from commercial use to public safety use.	
National Public Safety Communications Plan. The Office of Emergency Communications (OEC) within the Department of Homeland Security, as required by law, has prepared a National Emergency Communications Plan. The law also requires the OEC to work with other federal agencies in developing appropriate standards for interoperability, among other requirements. The FCC has used its regulatory authority to create requirements for the use of public safety spectrum at 700 MHz, including interoperability and standard-setting.	H. § 4202. Would establish requirements for the FCC to create a Public Safety Communications Planning Board. The Board would prepare, and submit to the FCC for approval, a National Public Safety Communications Plan. The Plan would include requirements for interoperability and standards, among other provisions.	No provision.
Plan Administrator. Law has required that each state, in order to receive federal funding for certain grants for public safety, must establish a State Communications Interoperability Plan (SCIP) and designate plan administrators at the state or local level. OEC is charged with assisting and overseeing these plans. Each state has submitted a SCIP to the OEC. Law also required the creation of Regional Emergency Communications Centers to facilitate regional planning for interoperability at the regional level.	H. § 4203. Would require the NTIA to request proposals for the administration of the Plan. Would establish the duties of the Administrator in working with State Public Safety Broadband Offices to build interoperable networks within each state.	No provision.
Initial Funding for the Administrator. Current Law: No provision.	H. § 4204. Would provide borrowing authority of up to $40 million for the creation and initial operation of the Administrator's office, to be repaid from auction revenue received by the Public Safety Trust Fund.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Study on Emergency Communications by Amateur Radio and Impediments to Amateur Radio Communications. State and local zoning and private property laws.	H. § 4205. Would require the OEC to submit to Congress a study that would: review the importance of amateur radio in responding to disasters; make recommendations for how to enhance the use of amateur radio federally; and to identify impediments to amateur radio such as private land use restrictions on antennas.	No provision.

PART 2— STATE IMPLEMENTATION

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Negotiation and Approval of Contracts. FCC has promulgated regulations and requirements for public safety broadband access.	H. § 4221. Would require each state seeking to establish a public safety broadband network, using 700 MHz public safety broadband spectrum, to create a Public Safety Broadband Office. Each office would prepare proposals for building networks based on the requirements established through the National Public Safety Communications Plan, including for requests for proposal. The Administrator would work with each state office in preparing and carrying out the plans. In general, states would be required to sign a contract with a commercial mobile provider to build the network to specifications as provided in the bill and in accordance with requirements established by the Public Safety Communications Planning Board and by the Administrator.	No provision.
State Implementation Grant Program. Current Law: No provision.	H. § 4222. Would establish a matching grant program to assist state Public Safety Broadband Offices.	No provision.
State Implementation Fund. Current Law: No provision.	H. § 4223. Would create a State Implementation Fund for the State Implementation Grant Program. The fund would receive up $100 million in auction revenue as specified in the bill. Funds remaining at the end of 2021 would be deposited in the General Fund.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Grants to States for Network Buildout. Current Law: No provision.	H. § 4224. Would provide grants to states for payments under contracts entered into with the approval of the Administrator	No provision.
Wireless Facilities Deployment. State and local governments have right to apply zoning law procedures for requests to modify existing cell towers. No provision. No provision. No provision.	H. § 4225. Would require approval of requests for modification of cell towers. Would provide for federal agencies to grant easements for the placement of antennas on federal property. Would require the General Services Administration (GSA) to provide a common request form for easements and rights-of-way and to establish fees for this service, based on direct cost recovery. Would require the GSA to develop one or more contracts for antenna placement and other specifications.	No provision.

PART 3— PUBLIC SAFETY TRUST FUND

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Public Safety Trust Fund. Current Law: No provision.	H. § 4241. Would create a fund to receive, hold and disburse all auction proceeds as provided in the bill except for $3 billion to be directed to the TV Broadcaster Relocation Fund. Designated uses are: State and Local Implementation, $100 million. Public Safety Administrator, $40 million. Public Safety Broadband Network Deployment, $4.96 billion plus 10% of any remaining amounts deposited in the fund up to $1.5 billion. Deficit Reduction, $20.4 billion from fund and balances upon expiration in FY 2021, plus at least 90% of any	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
	additional auction revenue.	

PART 4 — NEXT GENERATION 9-1-1 ADVANCEMENT ACT

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Coordination of 911 Implementation. Similar provisions were in effect through statutes that expired at the end of FY2009. Provisions included requirements for a grant program and for planning for the eventual transition to Next Generation 9-1-1.	H. § 4265 Would establish a federal 9-1-1 Coordination Office to advance planning for next-generation 9-1-1 systems and to fund a grant program with an authorization of $250 million. Would direct the Assistant Secretary (NTIA) and the Administrator of the National Highway Traffic Safety Administration (NHTSA) to establish a 9-1-1 Implementation Coordination Office to reestablish and extend matching grants, through October 1, 2021, to eligible state or local governments or tribal organizations for the implementation, operation, and migration of various 9-1-1, E9-1-1 (wireless telephone location), Next Generation 9-1-1 (voice, text, video), and IP-enabled emergency services and public safety personnel training. Would provide immunity and liability protection, to the extent consistent with specified provisions of the Wireless Communications and Public Safety Act of 1999, to various users and providers of Next Generation 9-1-1 and related services, including for the release of subscriber information.	No provision.
Requirements for Multi-line Telephone Systems. Current Law: No provision.	H. § 4266. Would require GAO to prepare a report on 9-1-1 capabilities of multi-line telephone systems in federal facilities, Would require the FCC to seek comment on the feasibility of improving 9-1-1 identification for calls placed through multi-line telephone systems.	No provision.
GAO Study of State and Local Use of 9-1-1	H. § 4267. Requires GAO to study how states assess fees on 9-1-1	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Service. Law Requires FCC to study 9-1-1 fee collection and use and issue a report annually.	services and how those fees are used.	
Parity of Protection for Provision or Use of Next-Generation 9-1-1 Services. Law extends similar protection for existing 91-1-services.	H. § 4268. Would provide immunity and liability protection, to the extent consistent with specified provisions of the Wireless Communications and Public Safety Act of 1999, to various users and providers of Next Generation 9-1-1 and related services, including for the release of subscriber information.	No provision.
Commission Proceeding on Auto-Dialing. Current Law: No provision.	H. § 4269. Would direct the FCC to: (1) initiate a proceeding to create a specialized Do-Not-Call registry for public safety answering points, and (2) establish penalties and fines for autodialing (robocalls) and related violations.	No provision.
NHTSA Report on Costs for Requirements and Specifications of Next generation 9-1-1 Services. Current Law: No provision.	H. § 4270. Requires an analysis of costs and assessments and analyses of technical uses.	No provision.
FCC Recommendations for Legal and Statutory Framework. State laws and regulations, primarily regarding the obligations of utility commissions.	H. § 4271. Would require the FCC to assess the legal and regulatory environment for development of NG9-1-1 and barriers to that development, including state regulatory roadblocks.	No provision.

Subtitle C— Federal Spectrum Relocations

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Relocation of and Spectrum Sharing by Federal Government Stations. Law provides conditions of use and relinquishment of spectrum, and related actions, by federal agencies. Federal agencies that are relocating to new spectrum allocations in order to accommodate commercial users for other uses may be reimbursed for certain costs of relocation from the Spectrum Relocation Fund, established for that purpose. No provision for a Technical Panel. No provision.	H. § 4301. Would include shared use as an eligible action and. Expenditures for planning would be newly included among those costs eligible for reimbursement from the Spectrum Relocation Fund. Would establish a Technical Panel to review a transition plan that the NTIA would be required to prepare in accordance with provisions in the bill. Would require that the NTIA give priority to options that would reallocate spectrum for exclusive, non-federal uses assigned through auction.	No provision.
Spectrum Relocation Fund. Spectrum Relocation Fund created by the Commercial Spectrum Enhancement Act of 2004 (P.L. 108-494, Title II).	H. § 4302. Would address uses of the Fund, as described in Sec. 4301, and would establish requirements regarding transfers of funds in advance of auctions and reversion of unused funds.	No provision.
National Security and Other Sensitive Information. Current Law: No provision.	H. § 4303. Would establish provisions under which non-disclosure of information regarding federal spectrum use would be determined.	No provision.

Subtitle D—Telecommunications Development Fund

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
No Additional Federal Funds. The Telecommunications Development Fund (TDF) was created to provide funding for new ventures in telecommunications. One source of funds comes from the requirement that interest from certain escrow accounts overseen by the FCC be transferred to the TDF.	H. § 4401. Would require that interest accrued in specified accounts be deposited in the General Fund.	No provision.
Independence of the Fund. Law that created TDF requires board members to consult with the FCC and the Treasury before finalizing decisions.	H. § 4402. Eliminates the role of federal agencies in oversight of board activities.	No provision.

TITLE V—OFFSETS

Subtitle A—Guarantee Fees

Provision and Current Law	H.R. 3630	S.Amdt to H.R. 3630
Legislate standards for guarantee fees charged by Fannie Mae and Freddie Mac. No provision in current law.	Increase guarantee fees to reflect risk of loss and cost of capital as if enterprises were fully private regulated institutions	Identical.
Legislate minimum increase in guarantee fees. No provision in current law.	Minimum increase of 10 basis points (0.10%) greater than average 2011 guarantee fees.	Identical.

Require deposit of increased guarantee fee in Treasury. No provision in current law.	"(3) DEPOSIT IN TREASURY.—To the extent that amounts are received from fee increases imposed under this section that are necessary to comply with the minimum increase required by this subsection, such amounts shall be deposited directly into the United States Treasury, and shall be available only to the extent provided in subsequent appropriations Acts. Such fees shall not be considered a reimbursement to the Federal Government for the costs or subsidy provided to an enterprise."	"(3) DEPOSIT IN TREASURY.—Amounts received from fee increases imposed under this section shall be deposited directly into the United States Treasury, and shall be available only to the extent provided in subsequent appropriations Acts. The fees charged pursuant to this section shall not be considered a reimbursement to the Federal Government for the costs or subsidy provided to an enterprise."
Allow two-year phase-in at discretion of Director of FHFA. No provision in current law.	Two-year phase-in at discretion of Director of FHFA Identical	Identical.
Require all lenders to be charged a uniform guarantee fee. No provision in current law.	All lenders to be charged a uniform guarantee fee.	Identical.
Require annual FHFA Report to Congress to include information on up-front and annual guarantee fee increases, and changes in riskiness of new mortgages. No provision in current law.	Annual FHFA Report to Congress to include information on up-front and annual guarantee fee increases, and changes in riskiness of new mortgages.	Adds: "(C) any adjustments required to improve for future origination years or book years, in order to be in complete compliance with sub section (b);"
Increases apply to mortgages closed after the date of enactment. No provision in current law.	Applies to mortgages closed after the date of enactment.	Identical.
Expiration. No provision in current law.	October 1, 2021.	Identical.
Legislate increase in FHA guarantee fees. No provision in current law.	No provisions.	Increases guarantee fees on FHA-insured mortgages by 10 basis points (0.10%) with phase-in over two years.

Subtitle E—Federal Civilian Employees

PART 1—RETIREMENT ANNUITIES

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Retirement Contributions. Current Law: *Civil Service Retirement System (CSRS):* Title 5, U.S. Code (U.S.C.) Section 8334 sets out the employee contributions to CSRS federal annuities under current law. Regular CSRS employees contribute 7% of pay. Congressional staff and federal law enforcement officers (LEOs), federal firefighters, air traffic controllers, nuclear materials couriers, customs and border patrol agents and other categories similar to LEOs (i.e., LEOs/etc) contribute 7.5% of pay. Members of Congress covered by CSRS contribute 8% of pay under current law. *Federal Employees' Retirement System (FERS):* 5 U.S.C. §8422 sets out the employee contributions to FERS federal annuities under current law. Regular FERS employees contribute 0.8% of pay. Members of Congress; congressional staff; and LEOs /etc. under FERS contribute 1.3% of pay. All FERS employee also make contributions to Social Security.	H. §5402. Would increase retirement contributions for current Members of Congress and current federal employees covered by CSRS and FERS in the following way: Beginning in 2013, an additional 0.5% contribution in each of the calendar years: 2013, 2014, and 2015. Beginning in calendar year 2015 and for calendar years after 2015, the employee retirement contributions would be 1.5% more than the current law contribution. [NOTE: These increased contributions for current federal civilian employees would also apply in the same way for current employees covered by the Foreign Service Retirement System; the Central Intelligence Agency Retirement and Disability System; and the Tennessee Valley Authority retirement pension plan.]	No provision.
Amendments Relating to Secure Annuity Employees. Current Law: FERS contributions: Under current law, FERS employee contributions are set out as described above (5 U.S.C. §8422). Measure of average pay under FERS: The measure of "average pay" used to calculate a retirement annuity under FERS is currently defined as the three highest, consecutive years of base salary, "high-3" (5 U.S.C.	H. §5403. Would create a new category of federal civilian employee covered by FERS (a "secure" annuity employee"), defined to include (1) any FERS employee hired or any FERS Member elected after December 31, 2012 and (2) any FERS employee or Member rehired or re-elected after December 31, 2012 with less than 5 years of covered FERS service. These "secure annuity employees" would be subject to three types of changes to their retirement annuities: (1) Increased FERS contributions: *for regular employees*: the FERS contribution rate would be 4% of pay; *for*	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
§8401). FERS benefit accrual rates: Under current law (5 U.S.C. §8415), the benefit accrual rate used to calculate an FERS retirement annuity is: *For regular employees:* 1% per year for employees with less than 20 years of service retiring before age 62; or, 1.1% per year for employees with at least 20 years of service retirement at age 62 or older. *For Members of Congress; congressional staff; and LEOs/etc*: 1.7% for first 20 years of service and 1% for any years of service over 20 years.	*Members of Congress, congressional staff, and LEOs/etc*: the FERS contribution rate would be 4.5% of pay. (2) Changed measure of average pay: measure of "average pay" used to calculate FERS retirement annuity would be five highest, consecutive years of base salary, "high-5," for all "secure annuity employees." (3) Decreased FERS benefit accrual rates: 0.7% per year *for regular employees with less than 20 years of service.* 1.4% per year for Members of Congress, congressional staff, and LEOs/etc. with less than 20 years of service. 0.7% per year for LEOs/etc. with more than 20 years of service.	
Annuity Supplement. Current Law: Because Social Security retirement benefits cannot begin before the age of 62, Congress included as part of FERS a temporary annuity supplement for workers who are eligible to retire before age 62. This "FERS supplement" (5 U.S.C. §8421) is paid to workers who retire at the age of 55 or older with at least 30 years of service or at the age of 60 with at least 20 years of service. It is also paid to LEOs, firefighters, and air traffic controllers who retire at the age of 50 or later with 20 or more years of service. The supplement is equal to the estimated Social Security benefit that the individual earned while employed by the federal government. It is paid only until the age of 62, regardless of whether the retiree chooses to apply for Social Security retired worker benefits at 62 years old.	H. §5404. Would end FERS annuity supplement for "secure annuity employees" under FERS with the following exception: the FERS annuity supplement would be preserved for any FERS employee subject to a mandatory retirement age (i.e., LEOs, firefighters, air traffic controllers, etc.).	No provision.

PART 2—FEDERAL WORKFORCE

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Extension of Pay Limitation for Federal	H. §5421(a). Would extend the freeze on statutory pay adjustments	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Employees (In General). Current Law: Title I, Section 1(a)(2) of P.L. 111-322, (124 Stat. 3518) enacted on December 22, 2010, includes, at Section 147, a provision that prohibits statutory pay adjustments that would otherwise become effective for federal civilian employees in executive agencies from January 1, 2011, through December 31, 2012. The law also provides that senior executive or senior-level employees may not receive an increase in basic pay during this time period, absent a change of position that results in a substantial increase in responsibility, or a promotion. The law further provides that the provisions of the Non-Foreign Area Retirement Equity Assurance Act of 2009 (5 U.S.C. §5304 note), related to allowance rates in the nonforeign areas (Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, Guam, Commonwealth of the Northern Mariana Islands), shall be applied using the appropriate locality-based comparability payments established by the President as the applicable comparability payments. The law authorizes the President to issue guidance to executive agencies to implement the provision.	until December 31, 2013.	
Extension of Pay Limitation for Federal Employees (Application to Legislative Branch). Current Law: Pursuant to 2 U.S.C. §31, Members of Congress receive a pay adjustment automatically each year unless (1) Congress statutorily prohibits the adjustment; (2) Congress statutorily revises the adjustment; or (3) the annual base pay adjustment of GS employees is established at a rate less than the scheduled increase for Members, in which case Members would be paid the lower rate. The annual Member pay adjustment is determined by a formula using the Employment Cost Index (ECI, private industry wages and salaries, not seasonally adjusted), based on the percentage change reflected in the quarter ending December 31 for the two preceding years, minus 0.5%.	H. §5421(b). 5421(b)(1) would prohibit any adjustment for Members of Congress prior to December 31, 2013. Member pay adjustments would also be prohibited pursuant to language in section 5421(a) because 2 U.S.C. 31(2)(B) states: "In no event shall the percentage adjustment taking effect under subparagraph (A) in any calendar year (before rounding), in any rate of pay, exceed the percentage adjustment taking effect in such calendar year under section 5303 of title 5 in the rates of pay under the General Schedule." Section 5421(b)(2) would also prohibit any "cost of living adjustment required by statute" for legislative branch employees.	No provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
The adjustment takes place at the beginning of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under Section 5303 of Title 5, U.S. Code, in the rates of pay under the General Schedule. The projected January 2013 adjustment for Members of Congress, unless denied statutorily by Congress or limited to the level of the General Schedule base pay adjustment, is currently unknown. The projected adjustment will be known when the Bureau of Labor Statistics (BLS) releases data for the change in the ECI on January 31, 2012. Pay adjustments for other legislative branch employees are dependent on their specific pay system.		
Reduction of Discretionary Spending Limits to Achieve Savings From Federal Employee Provisions. Current Law: Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011, establishes statutory limits on discretionary spending for each fiscal year covering FY2012-FY2021.	H. §5422. Reduces the statutory limits on discretionary spending by a total of $30 billion in budget authority, reflecting the savings anticipated from federal employee provisions, over the FY2013-FY2021 period. These limits, however, are scheduled to be revised by the limits set forth in Paragraph (2) of Section 251A of the BBEDCA because deficit reduction legislation by the Joint Select Committee on Deficit Reduction will not be enacted by January 15, 2012 (see next row).	No provision.
Reduction of Revised Discretionary Spending Limits to Achieve Savings From Federal Employee Provisions. Current Law: Section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011 (BCA), provides that if deficit reduction legislation initiated by the Joint Select Committee on Deficit Reduction (as provided in the BCA) is not enacted by January 15, 2012, the statutory limits on discretionary spending in Section 251(c) of the BBEDCA are revised to reflect separate limits on security (defense) and non-security (non-defense) spending for each fiscal year covering FY2013-FY2021, as specified in Paragraph (2) of Section 251A of the BBEDCA.	H. §5423. Reduces the revised statutory limits on discretionary spending by a total of $29 billion in budget authority, reflecting the savings anticipated from federal employee provisions, over the FY2013-FY2021 period. As noted in the previous row, these revised limits are scheduled to replace the current limits under Section 251(c) of the BBEDCA because deficit reduction legislation by the Joint Select Committee on Deficit Reduction will not be enacted by January 15, 2012.	No provision.

Subtitle F—Health Care Provisions

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Increase in applicable percentage used to calculate Medicare Part B and Part D premiums for high-income beneficiaries. Current Law: Before January 2007, the Part B premium was set at 25% of the program's costs per aged enrollee (enrollees who were age 65 or older) and was applied universally to all enrollees. Since then, under a provision of the Medicare Modernization Act (MMA, P.L. 108-173), higher-income beneficiaries have faced a progressively greater shares of those costs—35 percent, 50 percent, 65 percent, or 80 percent, depending on income. In 2010, the income thresholds for those premium shares are $85,000, $107,000, $160,000, and $214,000, respectively for single filers. (For married couples, the corresponding income thresholds are twice those values.) ACA also imposed a similar income-related premium for Part D services.	H. §5501. Beginning in 2017, this provision would increase the applicable percentage of the program's cost per aged enrollee for higher income beneficiaries to 40.25 percent, 57.5 percent, 74.75 percent and 90 percent, replacing the 35 percent, 50 percent, 65 percent, or 80 percent, under current law. This provision would also reduce the income thresholds to $80,000, $100,000, $150,000 and $200,000 for single filers (and twice those values for married couples).	No provision.
Temporary adjustment to the calculation of Medicare Part B and Part D premiums. Current Law. (See discussion above). While the initial income thresholds for Part B were indexed for inflation as specified under the MMA, ACA froze these income thresholds through 2019 at 2010 levels for Part B and Part D. In 2011, about 4% of current Part B enrollees were estimated to pay these higher income-related premiums.	H. §5502. This provision would resume inflation indexing of income thresholds only after at least 25 percent of individuals enrolled under Medicare Part B were subject to the income-related premium. Similarly, inflation indexing of income thresholds under Part D would resume only after at least 25 percent of individuals enrolled under Part D were subject to the income-related premium.	No provision.

TITLE VI—MISCELLANEOUS PROVISIONS

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Point of Order to Protect the Social Security Trust Fund. Current Law: Section 601(c) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (26 U.S.C. 1401 note) specifies the calendar year in which the payroll tax holiday period applies. There is no Senate point of order against the consideration of legislation that would amend this section of the law.	H. §6003(a) Creates a Senate point of order against the consideration of any measure that "extends the dates referenced in section 601(c) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010." Provides that a two-thirds affirmative vote would be required to waive the point of order.	No provision.
Point of Order Against an Emergency Designation. Current Law: Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011 (BCA), establishes enforceable statutory limits on discretionary spending for each fiscal year covering FY2012-FY2021. Section 251(b)(2)(A)(i) of the BBECCA provides for these limits to be adjusted to accommodate discretionary spending designated as emergency requirements in statute (i.e., effectively exempting such spending from the limits). Section 314 of the Congressional Budget Act of 1974, as amended by the BCA, allows the chairs of the budget committees in each chamber to make similar adjustments for purposes of congressional enforcement of these and other spending limits during the consideration of spending legislation. The existing Senate point of order against an emergency designation (Section 403 of S.Con.Res. 13, 111th Congress, the FY2010 budget resolution) does not apply to an emergency designation pursuant to the BBEDCA; therefore, there is no current Senate point of order against such a designation.	H. §6003(b) Amends the Budget Act to create a point of order against an emergency designation pursuant to the BBEDCA included in any measure. The new point of order is similar to the existing Senate emergency designation point of order: (1) if point of order is made, emergency designation is stricken from the measure; and (2) a three-fifths affirmative vote is required to waive the point of order and to sustain an appeal of the ruling of the chair.	S. §511. Identical provision.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
PAYGO Scorecard Estimates. Current Law: Under the Statutory Pay-As-You-Go Act of 2010 (Title I of P.L. 111-139), the five-year and 10-year budgetary effects of direct spending and revenue legislation enacted during a session are placed on respective scorecards. At the end of a session of Congress, if either scorecard shows an increase in the deficit, a sequestration of non-exempt budgetary resources is required to eliminate such deficit. Under the law, off-budget effects and discretionary spending effects are not counted.	H. §6004. Provides that the budgetary effects of H.R. 3630 are not placed on either PAYGO scorecard, as long as the legislation does not increase the deficit over the FY2013-FY2021 period. Also provides that off-budget effects, changes to the statutory discretionary spending limits, and changes in net income to the National Flood Insurance Program are to be counted in determining the budgetary effects of the legislation.	S. §512. Provides that the budgetary effects of H.R. 3630 are not placed on either PAYGO scorecard. Senate provision makes no modifications to the conventional budget scoring of the legislation.

S.Amdt. to H.R.3630

Title III—Temporary Extension of Health Provisions

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
2-month extension of MMA section 508 reclassifications. Current Law: Section 508 of the MMA provided $900 million for a one-time, three year geographic reclassification of certain hospitals that were otherwise unable to qualify for administrative reclassification to areas with higher wage index values. During the FY2005 inpatient hospital rate setting process, the Secretary established other reclassifications under the special exception authority included in Section 1886(d)(5)(I)(i) of the Social Security Act (SSA). The 508 and special exception reclassifications have been extended legislatively at various points; the most recent extension through September 30, 2011, was enacted by the Medicare and Medicaid Extenders Act of 2010 (the	No provision.	S. *§302.* The 508 and special exception reclassifications would be extended for October and November of 2011 using the wage index amounts included in the August 18, 2011, Federal Register. The area wage index used for these hospitals would include data from these hospitals only if the inclusion would result in a higher wage index. Medicare's higher payments to these hospitals are not budget neutral and would be made no later than December 31, 2012.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
Extenders Act, P.L. 111-309).		
Extension of payment for technical component of certain physician pathology services. Current Law: In 1999, the Health Care Financing Administration, (now CMS), proposed terminating an exception to a payment rule that had permitted laboratories to receive direct payment from Medicare when providing technical pathology services that had been outsourced by certain hospitals. BIPA established that hospitals that had existing arrangements with independent laboratories as of July 22, 1999, could continue billing Medicare directly for services through December 31, 2000. This exception has been extended through legislation at various times. ACA extended the provision through December 31, 2010, and the Extenders Act established the termination date as December 31, 2011.	No provision.	S. *§305* The proposal would extend the payment for the technical component of certain physician pathology services through February, 2012.
Extension of physician fee schedule mental health add-on payment. Current Law: Medicare pays for mental health services under the physician fee schedule. MIPPA increased the fee schedule amount for certain specified Medicare mental health services by 5 percent beginning on July 1, 2008, and ending on December 31, 2009. ACA extended the add-on payment provision for these specified services through December 31, 2010; and, the Extenders Act extended this payment an additional year, through December 31, 2011.	No provision.	S. *§307* The mental health add-on payment would be extended through February, 2012.
Extension of outpatient hold harmless provision. Current Law: Certain hospitals can receive additional Medicare payments if their outpatient payments under the current outpatient prospective payment system (OPPS) are less than under the prior hospital outpatient department (HOPD) reimbursement system.	No provision.	S. *§308* The outpatient hold harmless provision would be extended at 85 percent for an additional two months for services provided in January and February, 2012 by small rural hospitals and all SCHs.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
• MMA extended existing 100% hold harmless for rural hospitals with no more than 100 beds through December 31, 2005 and applied the provision to rural sole community hospitals (SCHs) from January 1, 2004 to December 31, 2005. • DRA extended a limited hold harmless protection to small rural hospitals (with no more than 100 beds) that are not SCHs. These hospitals received 95 percent of the difference between current OPPS payments and those that would have been made under the prior reimbursement system in CY2006, 90% in CY2007 and 85% in CY2008. The effective date of this provision has been extended to CY2009 by MIPPA, to CY2010 by ACA and to CY2011 by the Extenders Act. • MIPPA extended the 85% of the hold harmless protection to SCHS with no more than 100 beds for CY2009. ACA extended the 85% hold harmless protection for CY2010 and dropped the bed size limitation for SCHs so all SCHs were eligible for 85% hold harmless protection in CY2010. The Extenders Act established this protection through December 31, 2011.		
Extending minimum payment for bone mass measurement. Current Law: Dual energy X-ray absorptiometry (DXA) machines are used to measure bone mass to identify individuals who may have or be at risk of having osteoporosis. For those individuals who are eligible, Medicare will pay for a bone density study once every two years, or more frequently if the procedure is determined to be medically necessary. DRA capped reimbursement of the technical component for x-ray and imaging services at the lesser rate of the hospital outpatient rate or the physician fee schedule. Additionally, CMS implemented a new methodology for determining resource-based practice expense payments for all services that has led to reductions in the professional component reimbursement. The ACA set DXA payments at 70% of the 2006 reimbursement rates	No provision.	S. *§309* The proposal would extend the minimum payment for bone mass measurement through February, 2012.

Provision and Current Law	H.R. 3630	S.Amdt. to H.R. 3630
for these services in 2010 and 2011.		