AMENDMENT IN THE NATURE OF A SUBSTITUTE TO RULES COMMITTEE PRINT 113-8 (RELATING TO H.R. 1549, AS REPORTED)
OFFERED BY MR. PALLONE OF NEW JERSEY

Strike all after the enacting clause and insert the following:

1 SECTION 1. EXTENSION OF FUNDING FOR REOPENING ENROLLMENT UNDER THE PREEXISTING CONDITION INSURANCE PROGRAM.

(a) IN GENERAL.—Subsection (g)(1) of section 1101 of the Patient Protection and Affordable Care Act (42 U.S.C. 18001) is amended by striking “Such funds” and inserting the following: “In addition to the funds appropriated under the previous sentence, there is appropriated to the Secretary, out of any moneys in the Treasury not otherwise appropriated, $2,800,000,000 to pay claims (and administrative costs) described in such sentence. Funds appropriated under this paragraph”.

(b) REOPENING PROGRAM ENROLLMENT.—The Secretary of Health and Human Services shall resume taking applications for participation under the temporary high-risk health insurance program under such section 1101,
but only to the extent consistent with the limitation im-
posed under subsection (g)(4) of such section.

(c) CONSTRUCTION.—Nothing in this section shall be
construed as changing the application of subsection (g)(3)
of such section (relating to termination of authority).

SEC. 2. IMMEDIATE ACCESS TO HEALTH CARE FOR SICK
AMERICANS.

(a) IN GENERAL.—Section 1101(d) of the Patient
Protection and Affordable Care Act (42 U.S.C. 18001(d))
is amended—

(1) in paragraph (1), by adding at the end
“and”;
(2) by striking paragraph (2); and
(3) by redesignating paragraph (3) as para-
graph (2).

(b) EFFECTIVE DATE.—The amendments made by
subsection (a) shall apply with respect to individuals ap-
plying for coverage through the high risk insurance pool
program on or after the date of the enactment of this Act.

SEC. 3. INCREASE IN RATE OF EXCISE TAX ON CIGARETTES.

(a) IN GENERAL.—Section 5701(b)(1) of the Internal
Revenue Code of 1986 is amended by inserting “($52.33
per thousand in the case of cigarettes removed after De-
cember 31, 2013 and before January 1, 2024)” after
“$50.33 per thousand”.
(b) FLOOR STOCKS TAXES.—

(1) IMPOSITION OF TAX.—On cigarettes described in section 5701(b)(1) of the Internal Revenue Code of 1986 manufactured in or imported into the United States which are removed before January 1, 2014, and held on such date for sale by any person, there is hereby imposed a tax in an amount equal to the excess of—

(A) the tax which would be imposed under section 5701 of such Code on the article if the article had been removed on such date, over

(B) the prior tax (if any) imposed under section 5701 of such Code on such article.

(2) CREDIT AGAINST TAX.—Each person shall be allowed as a credit against the taxes imposed by paragraph (1) an amount equal to $500. Such credit shall not exceed the amount of taxes imposed by paragraph (1) on January 1, 2014, for which such person is liable.

(3) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding cigarettes referred to in paragraph (1) on January 1, 2014, to which any tax imposed by
paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be paid in such manner as the Secretary shall prescribe by regulations.

(C) TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid on or before May 1, 2014.

(4) ARTICLES IN FOREIGN TRADE ZONES.—Notwithstanding the Act of June 18, 1934 (commonly known as the Foreign Trade Zone Act, 48 Stat. 998, 19 U.S.C. 81a et seq.) or any other provision of law, any article which is located in a foreign trade zone on July 1, 2013, shall be subject to the tax imposed by paragraph (1) if—

(A) internal revenue taxes have been determined, or customs duties liquidated, with respect to such article before such date pursuant to a request made under the 1st proviso of section 3(a) of such Act, or

(B) such article is held on such date under the supervision of an officer of the United States Customs and Border Protection of the
Department of Homeland Security pursuant to
the 2d proviso of such section 3(a).

(5) DEFINITIONS.—For purposes of this sub-
section—

(A) IN GENERAL.—Any term used in this
subsection which is also used in section 5702 of
the Internal Revenue Code of 1986 shall have
the same meaning as such term has in such
section.

(B) SECRETARY.—The term “Secretary”
means the Secretary of the Treasury or the
Secretary’s delegate.

(6) CONTROLLED GROUPS.—Rules similar to
the rules of section 5061(e)(3) of such Code shall
apply for purposes of this subsection.

(7) OTHER LAWS APPLICABLE.—All provisions
of law, including penalties, applicable with respect to
the taxes imposed by section 5701 of such Code
shall, insofar as applicable and not inconsistent with
the provisions of this subsection, apply to the floor
stocks taxes imposed by paragraph (1), to the same
extent as if such taxes were imposed by such section
5701. The Secretary may treat any person who bore
the ultimate burden of the tax imposed by para-
graph (1) as the person to whom a credit or refund
under such provisions may be allowed or made.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply to articles removed (as defined in
section 5702(j) of the Internal Revenue Code of 1986)
after December 31, 2013.

Amend the title so as to read: “A Bill to amend sec-
tion 1101 of the Patient Protection and Affordable Care
Act to provide additional funds to permit additional indi-
viduals to enroll under the preexisting condition insur-
ance program and expand eligibility, to be funded
through a temporary increase in the cigarette tax, and
for other purposes.”.