

PUBLIC LAW 109-171—FEB. 8, 2006

DEFICIT REDUCTION ACT OF 2005

Public Law 109–171  
109th Congress

An Act

Feb. 8, 2006  
[S. 1932]

To provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 2006 (H. Con. Res. 95).

Deficit Reduction  
Act of 2005.  
42 USC 1305  
note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Deficit Reduction Act of 2005”.

**SEC. 2. TABLE OF TITLES.**

The table of titles is as follows:

TITLE I—AGRICULTURE PROVISIONS

TITLE II—HOUSING AND DEPOSIT INSURANCE PROVISIONS

TITLE III—DIGITAL TELEVISION TRANSITION AND PUBLIC SAFETY

TITLE IV—TRANSPORTATION PROVISIONS

TITLE V—MEDICARE

TITLE VI—MEDICAID AND SCHIP

TITLE VII—HUMAN RESOURCES AND OTHER PROVISIONS

TITLE VIII—EDUCATION AND PENSION BENEFIT PROVISIONS

TITLE IX—LIHEAP PROVISIONS

TITLE X—JUDICIARY RELATED PROVISIONS

**TITLE I—AGRICULTURE PROVISIONS**

Agricultural  
Reconciliation  
Act of 2005.  
7 USC 7901 note.

**SECTION 1001. SHORT TITLE.**

This title may be cited as the “Agricultural Reconciliation Act of 2005”.

**Subtitle A—Commodity Programs**

**SEC. 1101. NATIONAL DAIRY MARKET LOSS PAYMENTS.**

Effective dates.

(a) AMOUNT.—Section 1502(c) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7982(c)) is amended by striking paragraph (3) and inserting the following new paragraph:

“(3)(A) during the period beginning on the first day of the month the producers on a dairy farm enter into a contract under this section and ending on September 30, 2005, 45 percent;

“(B) during the period beginning on October 1, 2005, and ending on August 31, 2007, 34 percent; and

to section 2102, the assessment regulations in effect immediately before the date of the enactment of this Act shall continue to apply to all members of the Deposit Insurance Fund, until such regulations are modified by the Corporation, notwithstanding that such regulations may refer to “Bank Insurance Fund members” or “Savings Association Insurance Fund members”.

## TITLE III—DIGITAL TELEVISION TRANSITION AND PUBLIC SAFETY

Digital Television  
Transition and  
Public Safety Act  
of 2005.  
47 USC 309 note.

### SEC. 3001. SHORT TITLE; DEFINITION.

(a) **SHORT TITLE.**—This title may be cited as the “Digital Television Transition and Public Safety Act of 2005”.

(b) **DEFINITION.**—As used in this Act, the term “Assistant Secretary” means the Assistant Secretary for Communications and Information of the Department of Commerce.

### SEC. 3002. ANALOG SPECTRUM RECOVERY: FIRM DEADLINE.

(a) **AMENDMENTS.**—Section 309(j)(14) of the Communications Act of 1934 (47 U.S.C. 309(j)(14)) is amended—

(1) in subparagraph (A)—

(A) by inserting “full-power” before “television broadcast license”; and

(B) by striking “December 31, 2006” and inserting “February 17, 2009”;

(2) by striking subparagraph (B);

(3) in subparagraph (C)(i)(I), by striking “or (B)”;

(4) in subparagraph (D), by striking “subparagraph (C)(i)” and inserting “subparagraph (B)(i)”; and

(5) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(b) **TERMINATIONS OF ANALOG LICENSES AND BROADCASTING.**—The Federal Communications Commission shall take such actions as are necessary—

(1) to terminate all licenses for full-power television stations in the analog television service, and to require the cessation of broadcasting by full-power stations in the analog television service, by February 18, 2009; and

(2) to require by February 18, 2009, that all broadcasting by Class A stations, whether in the analog television service or digital television service, and all broadcasting by full-power stations in the digital television service, occur only on channels between channels 2 and 36, inclusive, or 38 and 51, inclusive (between frequencies 54 and 698 megahertz, inclusive).

(c) **CONFORMING AMENDMENTS.**—

(1) Section 337(e) of the Communications Act of 1934 (47 U.S.C. 337(e)) is amended—

(A) in paragraph (1)—

(i) by striking “CHANNELS 60 TO 69” and inserting “CHANNELS 52 TO 69”;

(ii) by striking “person who” and inserting “full-power television station licensee that”;

(iii) by striking “746 and 806 megahertz” and inserting “698 and 806 megahertz”; and

(iv) by striking “the date on which the digital television service transition period terminates, as determined by the Commission” and inserting “February 17, 2009”;

(B) in paragraph (2), by striking “746 megahertz” and inserting “698 megahertz”.

**SEC. 3003. AUCTION OF RECOVERED SPECTRUM.**

(a) **DEADLINE FOR AUCTION.**—Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended—

(1) by redesignating the second paragraph (15) of such section (as added by section 203(b) of the Commercial Spectrum Enhancement Act (Public Law 108–494; 118 Stat. 3993)), as paragraph (16) of such section; and

(2) in the first paragraph (15) of such section (as added by section 3(a) of the Auction Reform Act of 2002 (Public Law 107–195; 116 Stat. 716)), by adding at the end of subparagraph (C) the following new clauses:

“(v) **ADDITIONAL DEADLINES FOR RECOVERED ANALOG SPECTRUM.**—Notwithstanding subparagraph (B), the Commission shall conduct the auction of the licenses for recovered analog spectrum by commencing the bidding not later than January 28, 2008, and shall deposit the proceeds of such auction in accordance with paragraph (8)(E)(ii) not later than June 30, 2008.

“(vi) **RECOVERED ANALOG SPECTRUM.**—For purposes of clause (v), the term ‘recovered analog spectrum’ means the spectrum between channels 52 and 69, inclusive (between frequencies 698 and 806 megahertz, inclusive) reclaimed from analog television service broadcasting under paragraph (14), other than—

“(I) the spectrum required by section 337 to be made available for public safety services; and

“(II) the spectrum auctioned prior to the date of enactment of the Digital Television Transition and Public Safety Act of 2005.”

(b) **EXTENSION OF AUCTION AUTHORITY.**—Section 309(j)(11) of such Act (47 U.S.C. 309(j)(11)) is amended by striking “2007” and inserting “2011”.

**SEC. 3004. RESERVATION OF AUCTION PROCEEDS.**

Section 309(j)(8) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)) is amended—

(1) in subparagraph (A), by striking “subparagraph (B) or subparagraph (D)” and inserting “subparagraphs (B), (D), and (E)”;

(2) in subparagraph (C)(i), by inserting before the semicolon at the end the following: “, except as otherwise provided in subparagraph (E)(ii)”;

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

“(E) **TRANSFER OF RECEIPTS.**—

“(i) **ESTABLISHMENT OF FUND.**—There is established in the Treasury of the United States a fund to be known as the Digital Television Transition and Public Safety Fund.

“(ii) **PROCEEDS FOR FUNDS.**—Notwithstanding subparagraph (A), the proceeds (including deposits and upfront payments from successful bidders) from the

use of a competitive bidding system under this subsection with respect to recovered analog spectrum shall be deposited in the Digital Television Transition and Public Safety Fund.

“(iii) TRANSFER OF AMOUNT TO TREASURY.—On September 30, 2009, the Secretary shall transfer \$7,363,000,000 from the Digital Television Transition and Public Safety Fund to the general fund of the Treasury.

“(iv) RECOVERED ANALOG SPECTRUM.—For purposes of clause (i), the term ‘recovered analog spectrum’ has the meaning provided in paragraph (15)(C)(vi).”.

**SEC. 3005. DIGITAL-TO-ANALOG CONVERTER BOX PROGRAM.**

(a) CREATION OF PROGRAM.—The Assistant Secretary shall—

(1) implement and administer a program through which households in the United States may obtain coupons that can be applied toward the purchase of digital-to-analog converter boxes; and

(2) make payments of not to exceed \$990,000,000, in the aggregate, through fiscal year 2009 to carry out that program from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)).

(b) CREDIT.—The Assistant Secretary may borrow from the Treasury beginning on October 1, 2006, such sums as may be necessary, but not to exceed \$1,500,000,000, to implement this section. The Assistant Secretary shall reimburse the Treasury, without interest, as funds are deposited into the Digital Television Transition and Public Safety Fund.

Effective date.

(c) PROGRAM SPECIFICATIONS.—

(1) LIMITATIONS.—

(A) TWO-PER-HOUSEHOLD MAXIMUM.—A household may obtain coupons by making a request as required by the regulations under this section between January 1, 2008, and March 31, 2009, inclusive. The Assistant Secretary shall ensure that each requesting household receives, via the United States Postal Service, no more than two coupons.

(B) NO COMBINATIONS OF COUPONS.—Two coupons may not be used in combination toward the purchase of a single digital-to-analog converter box.

(C) DURATION.—All coupons shall expire 3 months after issuance.

(2) DISTRIBUTION OF COUPONS.—The Assistant Secretary shall expend not more than \$100,000,000 on administrative expenses and shall ensure that the sum of—

(A) all administrative expenses for the program, including not more than \$5,000,000 for consumer education concerning the digital television transition and the availability of the digital-to-analog converter box program; and

(B) the total maximum value of all the coupons redeemed, and issued but not expired, does not exceed \$990,000,000.

(3) USE OF ADDITIONAL AMOUNT.—If the Assistant Secretary transmits to the Committee on Energy and Commerce of the House of Representatives and Committee on Commerce,

	Science, and Transportation of the Senate a statement certifying that the sum permitted to be expended under paragraph (2) will be insufficient to fulfill the requests for coupons from eligible households—
Applicability.	(A) paragraph (2) shall be applied— (i) by substituting “\$160,000,000” for “\$100,000,000”; and (ii) by substituting “\$1,500,000,000” for “\$990,000,000”; (B) subsection (a)(2) shall be applied by substituting “\$1,500,000,000” for “\$990,000,000”; and
Deadline.	(C) the additional amount permitted to be expended shall be available 60 days after the Assistant Secretary sends such statement. (4) COUPON VALUE.—The value of each coupon shall be \$40. (d) DEFINITION OF DIGITAL-TO-ANALOG CONVERTER BOX.—For purposes of this section, the term “digital-to-analog converter box” means a stand-alone device that does not contain features or functions except those necessary to enable a consumer to convert any channel broadcast in the digital television service into a format that the consumer can display on television receivers designed to receive and display signals only in the analog television service, but may also include a remote control device.
	<b>SEC. 3006. PUBLIC SAFETY INTEROPERABLE COMMUNICATIONS.</b>
	(a) CREATION OF PROGRAM.—The Assistant Secretary, in consultation with the Secretary of the Department of Homeland Security— (1) may take such administrative action as is necessary to establish and implement a grant program to assist public safety agencies in the acquisition of, deployment of, or training for the use of interoperable communications systems that utilize, or enable interoperability with communications systems that can utilize, reallocated public safety spectrum for radio communication; and (2) shall make payments of not to exceed \$1,000,000,000, in the aggregate, through fiscal year 2010 to carry out that program from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)).
Effective date.	(b) CREDIT.—The Assistant Secretary may borrow from the Treasury beginning on October 1, 2006, such sums as may be necessary, but not to exceed \$1,000,000,000, to implement this section. The Assistant Secretary shall reimburse the Treasury, without interest, as funds are deposited into the Digital Television Transition and Public Safety Fund. (c) CONDITION OF GRANTS.—In order to obtain a grant under the grant program, a public safety agency shall agree to provide, from non-Federal sources, not less than 20 percent of the costs of acquiring and deploying the interoperable communications systems funded under the grant program. (d) DEFINITIONS.—For purposes of this section: (1) PUBLIC SAFETY AGENCY.—The term “public safety agency” means any State, local, or tribal government entity, or nongovernmental organization authorized by such entity,

whose sole or principal purpose is to protect the safety of life, health, or property.

(2) **INTEROPERABLE COMMUNICATIONS SYSTEMS.**—The term “interoperable communications systems” means communications systems which enable public safety agencies to share information amongst local, State, Federal, and tribal public safety agencies in the same area via voice or data signals.

(3) **REALLOCATED PUBLIC SAFETY SPECTRUM.**—The term “reallocated public safety spectrum” means the bands of spectrum located at 764–776 megahertz and 794–806 megahertz, inclusive.

**SEC. 3007. NYC 9/11 DIGITAL TRANSITION.**

(a) **FUNDS AVAILABLE.**—From the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) the Assistant Secretary shall make payments of not to exceed \$30,000,000, in the aggregate, which shall be available to carry out this section for fiscal years 2007 through 2008. The Assistant Secretary may borrow from the Treasury beginning October 1, 2006, such sums as may be necessary not to exceed \$30,000,000 to implement and administer the program in accordance with this section. The Assistant Secretary shall reimburse the Treasury, without interest, as funds are deposited into the Digital Television Transition and Public Safety Fund.

(b) **USE OF FUNDS.**—The sums available under subsection (a) shall be made available by the Assistant Secretary by grant to be used to reimburse the Metropolitan Television Alliance for costs incurred in the design and deployment of a temporary digital television broadcast system to ensure that, until a permanent facility atop the Freedom Tower is constructed, the members of the Metropolitan Television Alliance can provide the New York City area with an adequate digital television signal as determined by the Federal Communications Commission.

(c) **DEFINITIONS.**—For purposes of this section:

(1) **METROPOLITAN TELEVISION ALLIANCE.**—The term “Metropolitan Television Alliance” means the organization formed by New York City television broadcast station licensees to locate new shared facilities as a result of the attacks on September 11, 2001 and the loss of use of shared facilities that housed broadcast equipment.

(2) **NEW YORK CITY AREA.**—The term “New York City area” means the five counties comprising New York City and counties of northern New Jersey in immediate proximity to New York City (Bergen, Essex, Union, and Hudson Counties).

**SEC. 3008. LOW-POWER TELEVISION AND TRANSLATOR DIGITAL-TO-ANALOG CONVERSION.**

(a) **CREATION OF PROGRAM.**—The Assistant Secretary shall make payments of not to exceed \$10,000,000, in the aggregate, during the fiscal year 2008 and 2009 period from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) to implement and administer a program through which each eligible low-power television station may receive compensation toward the cost of the purchase of a digital-to-analog conversion device that enables it to convert the incoming digital signal of its corresponding full-power television station to analog format for

New York.  
New Jersey.

Effective date.

Grants.

Deadline. transmission on the low-power television station’s analog channel. An eligible low-power television station may receive such compensation only if it submits a request for such compensation on or before February 17, 2009. Priority compensation shall be given to eligible low-power television stations in which the license is held by a non-profit corporation and eligible low-power television stations that serve rural areas of fewer than 10,000 viewers.

(b) CREDIT.—The Assistant Secretary may borrow from the Treasury beginning October 1, 2006, such sums as may be necessary, but not to exceed \$10,000,000, to implement this section. The Assistant Secretary shall reimburse the Treasury, without interest, as funds are deposited into the Digital Television Transition and Public Safety Fund.

(c) ELIGIBLE STATIONS.—For purposes of this section, the term “eligible low-power television station” means a low-power television broadcast station, Class A television station, television translator station, or television booster station—

(1) that is itself broadcasting exclusively in analog format; and

(2) that has not purchased a digital-to-analog conversion device prior to the date of enactment of the Digital Television Transition and Public Safety Act of 2005.

**SEC. 3009. LOW-POWER TELEVISION AND TRANSLATOR UPGRADE PROGRAM.**

(a) ESTABLISHMENT.—The Assistant Secretary shall make payments of not to exceed \$65,000,000, in the aggregate, during fiscal year 2009 from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) to implement and administer a program through which each licensee of an eligible low-power television station may receive reimbursement for equipment to upgrade low-power television stations from analog to digital in eligible rural communities, as that term is defined in section 610(b)(2) of the Rural Electrification Act of 1937 (7 U.S.C. 950bb(b)(2)). Such reimbursements shall be issued to eligible stations no earlier than October 1, 2010. Priority reimbursements shall be given to eligible low-power television stations in which the license is held by a non-profit corporation and eligible low-power television stations that serve rural areas of fewer than 10,000 viewers.

Effective date.

(b) ELIGIBLE STATIONS.—For purposes of this section, the term “eligible low-power television station” means a low-power television broadcast station, Class A television station, television translator station, or television booster station—

(1) that is itself broadcasting exclusively in analog format; and

(2) that has not converted from analog to digital operations prior to the date of enactment of the Digital Television Transition and Public Safety Act of 2005.

**SEC. 3010. NATIONAL ALERT AND TSUNAMI WARNING PROGRAM.**

The Assistant Secretary shall make payments of not to exceed \$156,000,000, in the aggregate, during the fiscal year 2007 through 2012 period from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) to implement a unified national alert system capable of alerting the public, on a national, regional,



or local basis to emergency situations by using a variety of communications technologies. The Assistant Secretary shall use \$50,000,000 of such amounts to implement a tsunami warning and coastal vulnerability program.

**SEC. 3011. ENHANCE 911.**

The Assistant Secretary shall make payments of not to exceed \$43,500,000, in the aggregate, from the Digital Television Transition and Public Safety Fund established under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) to implement the ENHANCE 911 Act of 2004.

**SEC. 3012. ESSENTIAL AIR SERVICE PROGRAM.**

(a) **IN GENERAL.**—If the amount appropriated to carry out the essential air service program under subchapter II of chapter 417 of title 49, United States Code, equals or exceeds \$110,000,000 for fiscal year 2007 or 2008, then the Secretary of Commerce shall make \$15,000,000 available, from the Digital Television Transition and Public Safety Fund established by section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)), to the Secretary of Transportation for use in carrying out the essential air service program for that fiscal year.

(b) **APPLICATION WITH OTHER FUNDS.**—Amounts made available under subsection (a) for any fiscal year shall be in addition to any amounts—

(1) appropriated for that fiscal year; or

(2) derived from fees collected pursuant to section 45301(a)(1) of title 49, United States Code, that are made available for obligation and expenditure to carry out the essential air service program for that fiscal year.

(c) **ADVANCES.**—The Secretary of Transportation may borrow from the Treasury such sums as may be necessary, but not to exceed \$30,000,000 on a temporary and reimbursable basis to implement subsection (a). The Secretary of Transportation shall reimburse the Treasury, without interest, as funds are deposited into the Digital Television Transition and Public Safety Fund under section 309(j)(8)(E) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(E)) and made available to the Secretary under subsection (a).

**SEC. 3013. SUPPLEMENTAL LICENSE FEES.**

In addition to any fees assessed under the Communications Act of 1934 (47 U.S.C. 151 et seq.), the Federal Communications Commission shall assess extraordinary fees for licenses in the aggregate amount of \$10,000,000, which shall be deposited in the Treasury during fiscal year 2006 as offsetting receipts.

## **TITLE IV—TRANSPORTATION PROVISIONS**

**SEC. 4001. EXTENSION OF VESSEL TONNAGE DUTIES.**

(a) **EXTENSION OF DUTIES.**—Section 36 of the Act entitled “An Act to provide revenue, equalize duties and encourage the industries of the United States, and for other purposes”, approved August 5, 1909 (36 Stat. 111; 46 U.S.C. App. 121), is amended—