

112TH CONGRESS
1ST SESSION

S. _____

To provide for teacher and first responder stabilization.

IN THE SENATE OF THE UNITED STATES

Mr. MENENDEZ (for himself, Ms. STABENOW, Mr. CASEY, Mr. REID, and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To provide for teacher and first responder stabilization.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Teachers and First
5 Responders Back to Work Act of 2011”.

6 **TITLE I—TEACHER**
7 **STABILIZATION**

8 **SEC. 101. PURPOSE.**

9 The purpose of this title is to provide funds to States
10 to prevent teacher layoffs and support the creation of ad-
11 ditional jobs in public early childhood, elementary, and

1 secondary education in the 2011–2012 and 2012–2013
2 school years.

3 **SEC. 102. GRANTS FOR THE OUTLYING AREAS AND THE**
4 **SECRETARY OF THE INTERIOR; AVAILABILITY**
5 **OF FUNDS.**

6 (a) RESERVATION OF FUNDS.—From the amount ap-
7 propriated to carry out this title under section 111, the
8 Secretary—

9 (1) shall reserve up to one-half of one percent
10 to provide assistance to the outlying areas on the
11 basis of their respective needs, as determined by the
12 Secretary, for activities consistent with this part
13 under such terms and conditions as the Secretary
14 may determine;

15 (2) shall reserve up to one-half of one percent
16 to provide assistance to the Secretary of the Interior
17 to carry out activities consistent with this part, in
18 schools operated or funded by the Bureau of Indian
19 Education; and

20 (3) may reserve up to \$2,000,000 for adminis-
21 tration and oversight of this part, including program
22 evaluation.

23 (b) AVAILABILITY OF FUNDS.—Funds made avail-
24 able under section 111 shall remain available to the Sec-
25 retary until September 30, 2012.

1 **SEC. 103. STATE ALLOCATION.**

2 (a) ALLOCATION.—After reserving funds under sec-
3 tion 102(a), the Secretary shall allocate to the States—

4 (1) 60 percent on the basis of their relative
5 population of individuals aged 5 through 17; and

6 (2) 40 percent on the basis of their relative
7 total population.

8 (b) AWARDS.—From the funds allocated under sub-
9 section (a), the Secretary shall make a grant to the Gov-
10 ernor of each State who submits an approvable application
11 under section 104.

12 (c) ALTERNATE DISTRIBUTION OF FUNDS.—

13 (1) IN GENERAL.—If, within 30 days after the
14 date of enactment of this Act, a Governor has not
15 submitted an approvable application to the Sec-
16 retary, the Secretary shall, consistent with para-
17 graph (2), provide for funds allocated to that State
18 to be distributed to another entity or other entities
19 in the State for the support of early childhood, ele-
20 mentary, and secondary education, under such terms
21 and conditions as the Secretary may establish.

22 (2) MAINTENANCE OF EFFORT.—

23 (A) GOVERNOR ASSURANCE.—The Sec-
24 retary shall not allocate funds under paragraph
25 (1) unless the Governor of the State provides
26 an assurance to the Secretary that the State

1 will, for fiscal years 2012 and 2013, meet the
2 requirements of section 108.

3 (B) SPECIAL RULE.—Notwithstanding sub-
4 paragraph (A), the Secretary may allocate up to
5 50 percent of the funds that are available to the
6 State under paragraph (1) to another entity or
7 entities in the State, provided that the State
8 educational agency submits data to the Sec-
9 retary demonstrating that the State will for fis-
10 cal year 2012 meet the requirements of section
11 108(a) or the Secretary otherwise determines
12 that the State will meet those requirements, or
13 such comparable requirements as the Secretary
14 may establish, for that year.

15 (3) REQUIREMENTS.—An entity that receives
16 funds under paragraph (1) shall use those funds in
17 accordance with the requirements of this title.

18 (d) REALLOCATION.—If a State does not receive
19 funding under this title or only receives a portion of its
20 allocation under subsection (c), the Secretary shall reallo-
21 cate the State's entire allocation or the remaining portion
22 of its allocation, as the case may be, to the remaining
23 States in accordance with subsection (a).

1 **SEC. 104. STATE APPLICATION.**

2 The Governor of a State desiring to receive a grant
3 under this title shall submit an application to the Sec-
4 retary within 30 days of the date of enactment of this Act,
5 in such manner, and containing such information, as the
6 Secretary may reasonably require to determine the State's
7 compliance with applicable provisions of law.

8 **SEC. 105. STATE RESERVATION AND RESPONSIBILITIES.**

9 (a) RESERVATION.—Each State receiving a grant
10 under section 103(b) may reserve—

11 (1) not more than 10 percent of the grant
12 funds for awards to State-funded early learning pro-
13 grams; and

14 (2) not more than 2 percent of the grant funds
15 for the administrative costs of carrying out its re-
16 sponsibilities under this title.

17 (b) STATE RESPONSIBILITIES.—Each State receiving
18 a grant under this title shall, after reserving any funds
19 under subsection (a)—

20 (1) use the remaining grant funds only for
21 awards to local educational agencies for the support
22 of early childhood, elementary, and secondary edu-
23 cation; and

24 (2) distribute those funds, through subgrants,
25 to its local educational agencies by distributing—

1 (A) 60 percent on the basis of the local
2 educational agencies' relative shares of enroll-
3 ment; and

4 (B) 40 percent on the basis of the local
5 educational agencies' relative shares of funds
6 received under part A of title I of the Elemen-
7 tary and Secondary Education Act of 1965 for
8 fiscal year 2011; and

9 (3) make those funds available to local edu-
10 cational agencies no later than 100 days after receiv-
11 ing a grant from the Secretary.

12 (c) PROHIBITIONS.—A State shall not use funds re-
13 ceived under this title to directly or indirectly—

14 (1) establish, restore, or supplement a rainy-day
15 fund;

16 (2) supplant State funds in a manner that has
17 the effect of establishing, restoring, or
18 supplementing a rainy-day fund;

19 (3) reduce or retire debt obligations incurred by
20 the State; or

21 (4) supplant State funds in a manner that has
22 the effect of reducing or retiring debt obligations in-
23 curred by the State.

1 **SEC. 106. LOCAL EDUCATIONAL AGENCIES.**

2 Each local educational agency that receives a
3 subgrant under this title—

4 (1) shall use the subgrant funds only for com-
5 pensation and benefits and other expenses, such as
6 support services, necessary to retain existing employ-
7 ees, recall or rehire former employees, or hire new
8 employees to provide early childhood, elementary, or
9 secondary educational and related services;

10 (2) shall obligate those funds no later than Sep-
11 tember 30, 2013; and

12 (3) may not use those funds for general admin-
13 istrative expenses or for other support services or ex-
14 penditures, as those terms are defined by the Na-
15 tional Center for Education Statistics in the Com-
16 mon Core of Data, as of the date of enactment of
17 this Act.

18 **SEC. 107. EARLY LEARNING.**

19 Each State-funded early learning program that re-
20 ceives funds under this title shall—

21 (1) use those funds only for compensation, ben-
22 efits, and other expenses, such as support services,
23 necessary to retain early childhood educators, recall
24 or rehire former early childhood educators, or hire
25 new early childhood educators to provide early learn-
26 ing services; and

1 (2) obligate those funds no later than Sep-
2 tember 30, 2013.

3 **SEC. 108. MAINTENANCE OF EFFORT.**

4 (a) The Secretary shall not allocate funds to a State
5 under this title unless the State provides an assurance to
6 the Secretary that—

7 (1) for State fiscal year 2012—

8 (A) the State will maintain State support
9 for early childhood, elementary, and secondary
10 education (in the aggregate or on the basis of
11 expenditure per pupil) and for public institu-
12 tions of higher education (not including support
13 for capital projects or for research and develop-
14 ment or tuition and fees paid by students) at
15 not less than the level of such support for each
16 of the 2 categories for State fiscal year 2011;
17 or

18 (B) the State will maintain State support
19 for early childhood, elementary, and secondary
20 education and for public institutions of higher
21 education (not including support for capital
22 projects or for research and development or tui-
23 tion and fees paid by students) at a percentage
24 of the total revenues available to the State that

1 is equal to or greater than the percentage pro-
2 vided for State fiscal year 2011; and

3 (2) for State fiscal year 2013—

4 (A) the State will maintain State support
5 for early childhood, elementary, and secondary
6 education (in the aggregate or on the basis of
7 expenditure per pupil) and for public institu-
8 tions of higher education (not including support
9 for capital projects or for research and develop-
10 ment or tuition and fees paid by students) at
11 not less than the level of such support for each
12 of the two categories for State fiscal year 2012;
13 or

14 (B) the State will maintain State support
15 for early childhood, elementary, and secondary
16 education and for public institutions of higher
17 education (not including support for capital
18 projects or for research and development or tui-
19 tion and fees paid by students) at a percentage
20 of the total revenues available to the State that
21 is equal to or greater than the percentage pro-
22 vided for State fiscal year 2012.

23 (b) WAIVER.—The Secretary may waive the require-
24 ments of this section if the Secretary determines that a
25 waiver would be equitable due to—

1 (1) exceptional or uncontrollable circumstances,
2 such as a natural disaster; or

3 (2) a precipitous decline in the financial re-
4 sources of the State.

5 **SEC. 109. REPORTING.**

6 Each State that receives a grant under this title shall
7 submit, on an annual basis, a report to the Secretary that
8 contains—

9 (1) a description of how funds received under
10 this part were expended or obligated; and

11 (2) an estimate of the number of jobs supported
12 by the State using funds received under this title.

13 **SEC. 110. DEFINITIONS.**

14 In this title:

15 (1) Except as otherwise provided, the terms
16 “local educational agency”, “outlying area”, “Sec-
17 retary”, “State”, and “State educational agency”
18 have the meanings given those terms in section 9101
19 of the Elementary and Secondary Education Act of
20 1965 (20 U.S.C. 7801).

21 (2) The term “State” does not include an out-
22 lying area.

23 (3) The term “early childhood educator” means
24 an individual who—

1 (A) works directly with children in a State-
2 funded early learning program in a low-income
3 community;

4 (B) is involved directly in the care, devel-
5 opment, and education of infants, toddlers, or
6 young children age five and under; and

7 (C) has completed a baccalaureate or ad-
8 vanced degree in early childhood development or
9 early childhood education, or in a field related
10 to early childhood education.

11 (4) The term “State-funded early learning pro-
12 gram” means a program that provides educational
13 services to children from birth to kindergarten entry
14 and receives funding from the State.

15 **SEC. 111. AUTHORIZATION OF APPROPRIATIONS.**

16 There are authorized to be appropriated, and there
17 are appropriated, \$30,000,000,000 to carry out this title
18 for fiscal year 2012.

19 **TITLE II—FIRST RESPONDER**
20 **STABILIZATION**

21 **SEC. 201. PURPOSE.**

22 The purpose of this title is to provide funds to States
23 and localities to prevent layoffs of, and support the cre-
24 ation of additional jobs for, law enforcement officers and
25 other first responders.

1 **SEC. 202. GRANT PROGRAM.**

2 The Attorney General shall carry out a competitive
3 grant program pursuant to section 1701 of title I of the
4 Omnibus Crime Control and Safe Streets Act of 1968 (42
5 U.S.C. 3796dd) for hiring, rehiring, or retention of career
6 law enforcement officers under part Q of such title. Grants
7 awarded under this section shall not be subject to sub-
8 sections (g) or (i) of section 1701 or to section 1704 of
9 such Act (42 U.S.C. 3796dd–3(c)).

10 **SEC. 203. APPROPRIATIONS.**

11 There are hereby appropriated to the Community
12 Oriented Policing Stabilization Fund out of any money in
13 the Treasury not otherwise obligated, \$5,000,000,000, to
14 remain available until September 30, 2012, of which
15 \$4,000,000,000 shall be for the Attorney General to carry
16 out the competitive grant program under section 202; and
17 of which \$1,000,000,000 shall be transferred by the Attor-
18 ney General to a First Responder Stabilization Fund from
19 which the Secretary of Homeland Security shall make
20 competitive grants for hiring, rehiring, or retention pursu-
21 ant to the Federal Fire Prevention and Control Act of
22 1974 (15 U.S.C. 2201 et seq.), to carry out section 34
23 of such Act (15 U.S.C. 2229a). In making such grants,
24 the Secretary may grant waivers from the requirements
25 in subsections (a)(1)(A), (a)(1)(B), (a)(1)(E), (c)(1),
26 (c)(2), and (c)(4)(A) of section 34. Of the amounts appro-

1 priated herein, not to exceed \$8,000,000 shall be for ad-
2 ministrative costs of the Attorney General, and not to ex-
3 ceed \$2,000,000 shall be for administrative costs of the
4 Secretary of Homeland Security.

5 **TITLE III—SURTAX ON**
6 **MILLIONAIRES**

7 **SEC. 301. SURTAX ON MILLIONAIRES.**

8 (a) IN GENERAL.—Subchapter A of chapter 1 of the
9 Internal Revenue Code of 1986 is amended by adding at
10 the end the following new part:

11 **“PART VIII—SURTAX ON MILLIONAIRES**

“Sec. 59B. Surtax on millionaires.

12 **“SEC. 59B. SURTAX ON MILLIONAIRES.**

13 “(a) GENERAL RULE.—In the case of a taxpayer
14 other than a corporation for any taxable year beginning
15 after 2012, there is hereby imposed (in addition to any
16 other tax imposed by this subtitle) a tax equal to 0.5 per-
17 cent of so much of the modified adjusted gross income
18 of the taxpayer for such taxable year as exceeds
19 \$1,000,000 (\$500,000, in the case of a married individual
20 filing a separate return).

21 “(b) INFLATION ADJUSTMENT.—

22 “(1) IN GENERAL.—In the case of any taxable
23 year beginning after 2013, each dollar amount under

1 subsection (a) shall be increased by an amount equal
2 to—

3 “(A) such dollar amount, multiplied by

4 “(B) the cost-of-living adjustment deter-
5 mined under section 1(f)(3) for the calendar
6 year in which the taxable year begins, deter-
7 mined by substituting ‘calendar year 2011’ for
8 ‘calendar year 1992’ in subparagraph (B)
9 thereof.

10 “(2) ROUNDING.—If any amount as adjusted
11 under paragraph (1) is not a multiple of \$10,000,
12 such amount shall be rounded to the next highest
13 multiple of \$10,000.

14 “(c) MODIFIED ADJUSTED GROSS INCOME.—For
15 purposes of this section, the term ‘modified adjusted gross
16 income’ means adjusted gross income reduced by any de-
17 duction (not taken into account in determining adjusted
18 gross income) allowed for investment interest (as defined
19 in section 163(d)). In the case of an estate or trust, ad-
20 justed gross income shall be determined as provided in sec-
21 tion 67(e).

22 “(d) SPECIAL RULES.—

23 “(1) NONRESIDENT ALIEN.—In the case of a
24 nonresident alien individual, only amounts taken
25 into account in connection with the tax imposed

1 under section 871(b) shall be taken into account
2 under this section.

3 “(2) CITIZENS AND RESIDENTS LIVING
4 ABROAD.—The dollar amount in effect under sub-
5 section (a) shall be decreased by the excess of—

6 “(A) the amounts excluded from the tax-
7 payer’s gross income under section 911, over

8 “(B) the amounts of any deductions or ex-
9 clusions disallowed under section 911(d)(6)
10 with respect to the amounts described in sub-
11 paragraph (A).

12 “(3) CHARITABLE TRUSTS.—Subsection (a)
13 shall not apply to a trust all the unexpired interests
14 in which are devoted to one or more of the purposes
15 described in section 170(c)(2)(B).

16 “(4) NOT TREATED AS TAX IMPOSED BY THIS
17 CHAPTER FOR CERTAIN PURPOSES.—The tax im-
18 posed under this section shall not be treated as tax
19 imposed by this chapter for purposes of determining
20 the amount of any credit under this chapter or for
21 purposes of section 55.”.

22 (b) CLERICAL AMENDMENT.—The table of parts for
23 subchapter A of chapter 1 of the Internal Revenue Code
24 of 1986 is amended by adding at the end the following
25 new item:

“PART VIII. SURTAX ON MILLIONAIRES.”.

1 (c) SECTION 15 NOT TO APPLY.—The amendment
2 made by subsection (a) shall not be treated as a change
3 in a rate of tax for purposes of section 15 of the Internal
4 Revenue Code of 1986.

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years beginning after
7 December 31, 2012.