To provide for equitable treatment for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

IN THE HOUSE OF REPRESENTATIVES

Ms. Velázquez introduced the following bill; which was referred to the Committee on ____________

A BILL

To provide for equitable treatment for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

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

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

4 (a) Short Title.—This Act may be cited as the “Territorial Equity Act of 2021”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—HEALTH EQUITY FOR THE TERRITORIES

Subtitle A—Medicaid

Sec. 101. Elimination of general Medicaid funding limitations ("cap") for territories.
Sec. 102. Elimination of specific Federal medical assistance percentage (FMAP) limitation for territories; temporary increase in FMAP for Puerto Rico and the Virgin Islands to 100 percent.
Sec. 103. Application of Medicaid waiver authority to all of the territories.
Sec. 104. Permitting Medicaid DSH allotments for territories.

Subtitle B—Medicare Part A

Sec. 111. Calculation of Medicare DSH payments for IPPS hospitals in Puerto Rico.
Sec. 112. Rebasing target amount for hospitals in territories.
Sec. 113. Medicare DSH target adjustment for hospitals in territories.

Subtitle C—Medicare Part B

Sec. 121. Application of part B deemed enrollment process to residents of Puerto Rico; special enrollment period and limit on late enrollment penalties.

Subtitle D—Medicare Advantage (Part C)

Sec. 131. Adjustment in benchmark for low-base payment counties in Puerto Rico.

Subtitle E—Medicare Part D

Sec. 141. Improved use of allocated prescription drug funds by territories.
Sec. 142. Report on treatment of territories under Medicare part D.

Subtitle F—Miscellaneous

Sec. 151. Medicaid and CHIP territory transparency and information.
Sec. 152. Report on exclusion of territories from Exchanges.
Sec. 153. Access to coverage for individuals in certain areas without any available Exchange plans.

TITLE II—INCLUSION OF THE TERRITORIES IN THE SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM

Sec. 201. Participation and transition of Puerto Rico, American Samoa, and the Northern Mariana Islands in supplemental nutrition assistance program.

TITLE III—EQUITABLE TREATMENT FOR PUERTO RICO AND THE VIRGIN ISLANDS WITH RESPECT TO TAX CREDITS

Sec. 301. Equitable treatment for residents of Puerto Rico and the Virgin Islands with respect to the earned income tax credit and the child tax credit.

TITLE IV—LABOR EQUITY FOR PUERTO RICO

Sec. 401. Minimum wage for young employees in Puerto Rico.
Sec. 402. Overtime hours protections for workers in Puerto Rico.

TITLE V—EXTENSION OF SUPPLEMENTAL SECURITY INCOME (SSI) PROGRAM TO ALL TERRITORIES

Sec. 501. Extension of SSI program to all territories.

1 TITLE I—HEALTH EQUITY FOR THE TERRITORIES

Subtitle A—Medicaid

SEC. 101. ELIMINATION OF GENERAL MEDICAID FUNDING LIMITATIONS (“CAP”) FOR TERRITORIES.

(a) In General.—Section 1108 of the Social Security Act (42 U.S.C. 1308) is amended—

(1) in subsection (f), in the matter preceding paragraph (1), by striking “and (h)” and inserting “(h), and (i)”;

(2) in subsection (g)(2), in the matter preceding subparagraph (A), by inserting “subsection (i),” after “subject to”; and

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

“(i) SUNSET OF MEDICAID FUNDING LIMITATIONS FOR PUERTO RICO, THE VIRGIN ISLANDS, GUAM, THE NORTHERN MARIANA ISLANDS, AND AMERICAN SAMOA.—Subsections (f) and (g) shall not apply to Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa beginning with fiscal year 2022.”.

(b) Conforming Amendments.—
(1) Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended by striking “, the limitation in section 1108(f),”.

(2) Section 1903(u) of the Social Security Act (42 U.S.C. 1396b(u)) is amended by striking paragraph (4).

(e) EffectivE Date.—The amendments made by this section shall apply beginning with fiscal year 2022.

SEC. 102. ELIMINATION OF SPECIFIC FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) LIMITATION FOR TERRITORIES; TEMPORARY INCREASE IN FMAP FOR PUERTO RICO AND THE VIRGIN ISLANDS TO 100 PERCENT.

Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended—

(1) in clause (2), by inserting “for fiscal years before fiscal year 2022” after “American Samoa”; and

(2) by adding at the end the following new sentence: “Notwithstanding the first sentence of this subsection, for each of fiscal years 2022 and 2023, the Federal medical assistance percentage for Puerto Rico and the Virgin Islands shall be 100 percent.”.
SEC. 103. APPLICATION OF MEDICAID WAIVER AUTHORITY TO ALL OF THE TERRITORIES.

(a) In General.—Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended—

(1) by striking “American Samoa and the Northern Mariana Islands” and inserting “Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa”;

(2) by striking “American Samoa or the Northern Mariana Islands” and inserting “Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa”;

(3) by inserting “(1)” before “Notwithstanding”; 

(4) by inserting “except as otherwise provided in this subsection,” after “Notwithstanding any other requirement of this title”; and

(5) by adding at the end the following:

“(2) The Secretary may not waive under this subsection—

“(A) the requirement of subsection (a)(10)(A)(i)(IX) (relating to coverage of adults formerly under foster care) with respect to any territory;

“(B) the requirement to provide medical assistance for early and periodic screening, diagnostic,
and treatment services (as defined in section 1905(r)) for individuals who are eligible for assistance under the program and who under the age of 21; or

“(C) the requirement to provide for payment for services described in section 1905(a)(2)(C) furnished by a Federally-qualified health center and services described in section 1905(a)(2)(B) furnished by a rural health clinic in accordance with the provisions of subsection (bb)”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning October 1, 2021.

SEC. 104. PERMITTING MEDICAID DSH ALLOTMENTS FOR TERRITORIES.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396r–4(f)) is amended—

(1) in paragraph (6), by adding at the end the following new subparagraph:

“(C) TERRITORIES.—

“(i) FISCAL YEAR 2021.—For fiscal year 2022, the DSH allotment for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa shall bear the same ratio to $300,000,000 as the ratio of the number of individuals
who are low-income or uninsured and residing in such respective territory (as estimated from time to time by the Secretary) bears to the sums of the number of such individuals residing in all of the territories.

“(ii) SUBSEQUENT FISCAL YEAR.—

For each subsequent fiscal year, the DSH allotment for each such territory is subject to an increase in accordance with paragraph (3).”; and

(2) in paragraph (9), by inserting before the period at the end the following: “, and includes, beginning with fiscal year 2022, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa”.

Subtitle B—Medicare Part A

SEC. 111. CALCULATION OF MEDICARE DSH PAYMENTS FOR IPPS HOSPITALS IN PUERTO RICO.

Section 1886(d)(9)(D)(iii) of the Social Security Act (42 U.S.C. 1395ww(d)(9)(D)(iii)) is amended to read as follows:

“(iii) Subparagraph (F) (relating to disproportionate share payments), including application of subsection (r), except that for this purpose—
“(I) the sum described in clause (ii) of this subparagraph shall be substituted for the sum referred to in paragraph (5)(F)(ii)(I); and

“(II) for discharges occurring on or after October 1, 2021, subclause (I) of paragraph (5)(F)(vi) shall be applied by substituting for the numerator described in such subclause the number of subsection (d) Puerto Rico hospital’s patient days for the cost reporting period involved which were made up of patients who (for such days) were entitled to benefits under part A of this title and were—

“(aa) entitled to supplementary security income benefits (excluding any State supplementation) under title XVI of this Act;

“(bb) eligible for medical assistance under a State plan under title XIX; or

“(cc) receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI.”.
SEC. 112. REBASING TARGET AMOUNT FOR HOSPITALS IN TERRITORIES.

Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)) is amended by adding at the end the following new subparagraph:

“(M)(i) For each cost reporting period beginning on or after October 1, 2021, in the case of a hospital located in a territory of the United States, there shall be substituted for the target amount otherwise determined under subparagraph (A) the rebased target amount (as defined in clause (ii)), if such substitution results in an amount of payment under this section to the hospital for such period that is greater than the amount of payment that would be made under this section to the hospital for such period if this subparagraph were not to apply.

“(ii) For purposes of this subparagraph, the term ‘rebased target amount’ has the meaning given the term ‘target amount’ in subparagraph (A), except that—

“(I) there shall be substituted for the preceding 12-month cost reporting period the 12-month cost reporting period beginning during fiscal year 2017 (or, at the option of the hospital, beginning during fiscal year 2019);

“(II) any reference in subparagraph (A)(i) to the ‘first such cost reporting period’ is deemed a reference to the first cost reporting period following the
12-month cost reporting period beginning during fiscal year 2017 (or, at the option of the hospital, beginning during fiscal year 2019); and

“(III) the applicable percentage increase shall only be applied under subparagraph (B)(ii) for cost reporting periods beginning on or after October 1, 2021.

“(iii) Nothing in this subparagraph shall affect any pending request by a hospital for a new target amount for any cost reporting period beginning during a fiscal year before fiscal year 2022.”.

SEC. 113. MEDICARE DSH TARGET ADJUSTMENT FOR HOSPITALS IN TERRITORIES.

Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), as amended by section 112, is further amended by adding at the end the following new subparagraph:

“(N)(i) For each cost reporting period beginning on or after October 1, 2020, in the case of a hospital that is located in a territory of the United States other than Puerto Rico and that would be a subsection (d) hospital if it were located in one of the 50 States, the target amount shall be increased by—

“(I) in the case that such hospital has a disproportionate patient percentage of not less than 15
percent and not greater than 40 percent, 10 percent;

and

“(II) in the case that such hospital has a disproportionate patient percentage of greater than 40 percent, 10 percent plus 60 percent of the number of percentage points by which such hospital’s disproportionate patient percentage exceeds 40 percent.

“(ii) For purposes of this subparagraph, the term ‘disproportionate patient percentage’ has the meaning given such term in subsection (d)(5)(F)(vi), except that in applying such meaning any reference under such subsection to individuals entitled to supplementary security income under title XVI shall be deemed for purposes of this subparagraph to include individuals—

“(I) eligible for medical assistance under a State plan under title XIX; or

“(II) receiving aid or assistance under any plan of the territory approved under title I, X, XIV, or XVI.”.
Subtitle C—Medicare Part B

SEC. 121. APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO; SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES.

(a) Application of Part B Deemed Enrollment Process to Residents of Puerto Rico.—Section 1837(f)(3) of the Social Security Act (42 U.S.C. 1395p(f)(3)) is amended by striking “, exclusive of Puerto Rico”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals whose initial enrollment period under section 1837(d) of the Social Security Act begins on or after the first day of the effective month, specified by the Secretary of Health and Human Services under section 1839(k)(1)(C) of such Act, as added by subsection (e)(2).

(c) Transition Providing Special Enrollment Period and Limit on Late Enrollment Penalties for Certain Medicare Beneficiaries.—Section 1839 of the Social Security Act (42 U.S.C. 1395r) is amended—

(1) in the first sentence of subsection (b), by inserting “subject to subsection (k)(2) of this section,”
after “subsection (i)(4), (l), or (l) of section 1837,”;

and

(2) by adding at the end the following new sub-
section:

“(k) **SPECIAL RULES FOR CERTAIN RESIDENTS OF**
**PUERTO RICO.—**

“(1) **SPECIAL ENROLLMENT PERIOD, COVERAGE**
**PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT**
**NOT ENROLLED.—**

“(A) **IN GENERAL.—**In the case of a tran-
sition individual (as defined in paragraph (3))
who is not enrolled under this part as of the
day before the first day of the effective month
(as defined in subparagraph (C)), the Secretary
shall provide for a special enrollment period
under section 1837 of 7 months beginning with
such effective month during which the indi-
vidual may be enrolled under this part.

“(B) **COVERAGE PERIOD.—**In the case of
such an individual who enrolls during such spe-
cial enrollment period, the coverage period
under section 1838 shall begin on the first day
of the second month after the month in which
the individual enrolls.
“(C) EFFECTIVE MONTH DEFINED.—In this section, the term ‘effective month’ means a month, not earlier than October 2022 and not later than January 2023, specified by the Secretary.

“(2) REDUCTION IN LATE ENROLLMENT PENALTIES FOR CURRENT ENROLLEES AND INDIVIDUALS ENROLLING DURING TRANSITION.—

“(A) IN GENERAL.—In the case of a transition individual who is enrolled under this part as of the day before the first day of the effective month or who enrolls under this part on or after the date of the enactment of this subsection but before the end of the special enrollment period under paragraph (1)(A), the amount of the late enrollment penalty imposed under section 1839(b) shall be recalculated by reducing the penalty to 15 percent of the penalty otherwise established.

“(B) APPLICATION.—Subparagraph (A) shall be applied in the case of a transition individual who—

“(i) is enrolled under this part as of the month before the effective month, for
premiums for months beginning with such
effective month; or

“(ii) enrolls under this part on or
after the date of the enactment of this Act
and before the end of the special enroll-
ment period under paragraph (1)(A), for
premiums for months during the coverage
period under this part which occur during
or after the effective month.

“(C) LOSS OF REDUCTION IF INDIVIDUAL
TERMINATES ENROLLMENT.—Subparagraph
(A) shall not apply to a transition individual if
the individual terminates enrollment under this
part after the end of the special enrollment pe-
riod under paragraph (1).

“(3) TRANSITION INDIVIDUAL DEFINED.—In
this section, the term ‘transition individual’ means
an individual who resides in Puerto Rico and who
would have been deemed enrolled under this part
pursuant to section 1837(f) before the first day of
the effective month but for the fact that the indi-
vidual was a resident of Puerto Rico, regardless of
whether the individual is enrolled under this part as
of such first day.”.
Subtitle D—Medicare Advantage
(Part C)

SEC. 131. ADJUSTMENT IN BENCHMARK FOR LOW-BASE PAYMENT COUNTIES IN PUERTO RICO.

Section 1853(n) of the Social Security Act (42 U.S.C. 1395w–23(n)) is amended—

(1) in paragraph (1), by striking “and (5)” and inserting “(5), and (6)”;

(2) in paragraph (4), by striking “In no case” and inserting “Subject to paragraph (6), in no case”; and

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

“(6) SPECIAL RULES FOR BLENDED BENCHMARK AMOUNT FOR TERRITORIES.—

“(A) IN GENERAL.—Subject to subparagraph (B), the blended benchmark amount for an area in a territory for a year (beginning with 2022) shall not be less than 80 percent of the national average of the base payment amounts specified in subparagraph (2)(E) for such year for areas within the 50 States and the District of Columbia.

“(B) LIMITATION.—In no case shall the blended benchmark amount for an area in a
territory for a year under subparagraph (A) exceed the lowest blended benchmark amount for any area within the 50 States and the District of Columbia for such year.”.

Subtitle E—Medicare Part D

SEC. 141. IMPROVED USE OF ALLOCATED PRESCRIPTION DRUG FUNDS BY TERRITORIES.

Section 1935(e) of the Social Security Act (42 U.S.C. 1396u–5(e)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph:

“(5) IMPROVED USE OF FUNDS FOR LOW-INCOME PART D ELIGIBLE INDIVIDUALS.—This subsection shall be applied beginning with fiscal year 2022 as follows, notwithstanding any other provision of this title:

“(A) CLARIFYING STATE FLEXIBILITY TO COVER NON-DUAL-ELIGIBLE INDIVIDUALS.—In this title, the term ‘medical assistance’ includes financial assistance furnished by a State under this subsection to part D eligible individuals who, if they were residing in one of the 50 States or the District of Columbia, would qual-
ify as subsidy eligible individuals under section 1860D–14(a)(3), and without regard to whether such individuals otherwise qualify for medical assistance under this title.

“(B) 100 PERCENT FMAP TO REFLECT NO STATE MATCHING REQUIRED FOR PART D LOW INCOME SUBSIDIES.—The Federal medical assistance percentage applicable to the assistance furnished under this subsection is 100 percent.

“(C) LIMITED FUNDING FOR SPECIAL RULES.—Subparagraphs (A) and (B), and the provision of medical assistance for covered part D drugs to low-income part D eligible individuals for a State and period under this subsection, is limited to the amount specified in paragraph (3) for such State and period.”.

SEC. 142. REPORT ON TREATMENT OF TERRITORIES UNDER MEDICARE PART D.

Paragraph (6) of section 1935(e) of the Social Security Act (42 U.S.C. 1396u–5(e)), as redesignated by section 141, is amended to read as follows:

“(6) REPORT ON APPLICATION OF SUB-SECTION.—

“(A) IN GENERAL.—Not later than February 1, 2023, the Secretary shall submit to
Congress a report on the application of this subsection during the period beginning fiscal year 2006 and ending fiscal year 2022.

“(B) INFORMATION TO BE INCLUDED IN REPORT.—Such report shall include—

“(i) program guidance issued by the Secretary to implement this subsection;

“(ii) for each territory, information on the increased amount under paragraph (3) and how the territory has applied such amount, including the territory’s program design, expenditures, and number of individuals (and dual-eligible individuals) assisted; and

“(iii) differences between how such territories are treated under part D of title XVIII and under this title compared with the treatment of the 50 States and the District of Columbia under such part and this title for different fiscal years within the period covered under the report.

“(C) RECOMMENDATIONS.—Such report shall include recommendations for improving prescription drug coverage for low-income individuals in each territory, including rec-
ommendations regarding each of the following alternative approaches:

“(i) Adjusting the aggregate amount specified in paragraph (3)(B).

“(ii) Allowing residents of the territories to be subsidy eligible individuals under section 1860D–14, notwithstanding subsection (a)(3)(F) of such section, or providing substantially equivalent low-income prescription drug subsidies to such residents.”.

Subtitle F—Miscellaneous

SEC. 151. MEDICAID AND CHIP TERRITORY TRANSPARENCY AND INFORMATION.

(a) Publication of Information on Federal Expenditures Under Medicaid and CHIP in the Territories.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall publish, and periodically update, on the Internet site of the Centers for Medicare & Medicaid Services information on Medicaid and CHIP carried out in the territories of the United States. Such information shall include, with respect to each such territory—

(1) the income levels established by the territory for purposes of eligibility of an individual to re-
ceive medical assistance under Medicaid or child
health assistance under CHIP;

(2) the number of individuals enrolled in Med-
icaid and CHIP in such territory;

(3) any State plan amendments in effect to
carry out Medicaid or CHIP in such territory;

(4) any waiver of the requirements of title XIX
or title XXI issued by the Secretary to carry out
Medicaid or CHIP in the territory, including a waiv-
er under section 1115 of the Social Security Act (42
U.S.C. 1315), any application for such a waiver, and
any documentation related to such application (in-
cluding correspondence);

(5) the amount of the Federal and non-Federal
share of expenditures under Medicaid and CHIP in
such territory;

(6) the systems in place for the furnishing of
health care items and services under Medicaid and
CHIP in such territory;

(7) the design of CHIP in such territory; and

(8) other information regarding the carrying
out of Medicaid and CHIP in the territory that is
published on such Internet site with respect to car-
rying out Medicaid and CHIP in each State and the
District of Columbia.
(b) DEFINITIONS.—In this section:

(1) CHIP.—The term “CHIP” means the State Children’s Health Insurance Program under title XXI of the Social Security Act.

(2) MEDICAID.—The term “Medicaid” means the Medicaid program under title XIX of the Social Security Act.

(3) TERRITORY.—The term “territory of the United States” includes Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Marianas Islands, and American Samoa.

SEC. 152. REPORT ON EXCLUSION OF TERRITORIES FROM EXCHANGES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report that details the adverse impacts in each territory from the practical exclusion of the territories from the provisions of part II or III of subtitle D of title I of the Patient Protection and Affordable Care Act insofar as such provisions provide for the establishment of an American Health Benefit Exchange or the administration of a federally facilitated Exchange in each State and in the District of Columbia for the purpose of making health insurance
more affordable and accessible for individuals and small
businesses.

(b) INFORMATION IN REPORT.—The report shall in-
clude information on the following:

(1) An estimate of the total number of indi-
viduals residing in each territory with health insurance
coverage, and the total number of individuals in each
territory without health insurance coverage.

(2) The number of health insurance issuers in
each territory and the health insurance coverage
each such issuer offers.

(3) An estimate of the number of individuals re-
siding in each territory who are denied premium and
cost-sharing assistance that would otherwise be
available to them for obtaining health insurance cov-
verage through an Exchange if they resided in one of
the 50 States or in the District of Columbia.

(4) An estimate of the amount of Federal as-
stance described in paragraph (3) that is not being
made available to residents of each territory.

(5) An estimate of the number of small employ-
ers in each territory that would be eligible to pur-
chase health insurance coverage through a Small
Business Health Options Program (SHOP) Market-
place that would operate as part of an Exchange if
SEC. 153. ACCESS TO COVERAGE FOR INDIVIDUALS IN CERTAIN AREAS WITHOUT ANY AVAILABLE EXCHANGE PLANS.

Part 2 of subtitle D of title I of the Patient Protection and Affordable Care Act (42 U.S.C. 18031 et seq.) is amended by adding at the end the following:

“SEC. 1314. ACCESS TO COVERAGE FOR INDIVIDUALS IN CERTAIN AREAS WITHOUT ANY AVAILABLE EXCHANGE PLANS.

“(a) IN GENERAL.—

“(1) COVERAGE THROUGH DC EXCHANGE.—

Not later than 3 months after the date of enactment of this section, the Secretary, in consultation with the Secretary of the Treasury and the Director of the Office of Personnel Management, shall establish a mechanism to ensure that, for any plan year beginning on or after the date described in subsection (c), any individual described in paragraph (2) has access to health insurance coverage which is at least as broad as the coverage available to Members of Congress and congressional staff (as defined in section 1312(d)(3)(D)) through the Exchange operating in the District of Columbia. Such individuals shall...
be eligible for any premium tax credit under section 136B of the Internal Revenue Code of 1986, reduced cost sharing under section 1402, and advance determination and payment of such credits or such reductions under section 1412 to be administered by the Secretary, in consultation with the Secretary of the Treasury and the Director of the Office of Personnel Management. The District of Columbia, its residents, and small businesses shall be held harmless from any increased costs resulting from the enactment of this section.

“(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is any individual who—

“(A) is not eligible to enroll in an employer-sponsored health plan (excluding such a plan that would not be considered minimum essential coverage due to the application of subparagraph (C) of section 36B(c)(2) of the Internal Revenue Code of 1986 if such subparagraph applied to such plan); and

“(B) is a bona fide resident of any possession of the United States (as determined under section 937(a) of such Code) in which the Secretary certifies that no qualified health plan is
offered through an Exchange established under this title.

“(3) Possession of the United States.—

For purposes of this section, the term ‘possession of the United States’ shall include such possessions as are specified in section 937(a)(1) of the Internal Revenue Code of 1986.

“(b) Treatment of Possessions.—

“(1) Payments to Possessions.—

“(A) Mirror code possession.—The Secretary of the Treasury shall periodically (but not less frequently than annually) pay to each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of the application of this section (determined without regard to paragraph (2)) with respect to taxable years beginning after the date described in subsection (c). Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

“(B) Other possessions.—The Secretary of the Treasury shall periodically (but not less frequently than annually) pay to each
possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits that would have been provided to residents of such possession by reason of the application of this section for any taxable years beginning after the date described in subsection (c) if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply with respect to any possession of the United States unless such possession has a plan, which has been approved by the Secretary of the Treasury, under which such possession will promptly distribute such payments to the residents of such possession.

“(2) Coordination with credit allowed against United States income taxes.—No credit shall be allowed against United States income taxes for any taxable year under section 36B of the Internal Revenue Code of 1986 to any person—

“(A) to whom a credit is allowed against taxes imposed by the possession by reason of this section (determined without regard to this paragraph) for such taxable year, or
“(B) who is eligible for a payment under
a plan described in paragraph (1)(B) with re-
spect to such taxable year.

“(3) Mirror Code Tax System.—For pur-
poses of this subsection, the term ‘mirror code tax
system’ means, with respect to any possession of the
United States, the income tax system of such posses-
sion if the income tax liability of the residents of
such possession under such system is determined by
reference to the income tax laws of the United
States as if such possession were the United States.

“(4) Treatment of Payments.—For pur-
poses of section 1324(b)(2) of title 31, United
States Code, or any similar rule of law, the pay-
ments under this subsection shall be treated in the
same manner as a refund due from the credit al-
lowed under section 36B of the Internal Revenue

“(c) Date Described.—The date described in this
subsection is the date on which the Secretary establishes
the mechanism described in subsection (a)(1).”.
TITLE II—INCLUSION OF THE TERRITORIES IN THE SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM

SEC. 201. PARTICIPATION AND TRANSITION OF PUERTO RICO, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS IN SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

(a) DEFINITIONS.—Section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) is amended—

(1) in subsection (r), by inserting “the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands,” after “Guam,”; and

(2) in subsection (u)(3), by inserting “the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands,” after “Guam,”.

(b) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(1) in subsection (b), in the first sentence, by inserting “the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands,” after “Guam,”;
(2) in subsection (c)(1), by striking “and Guam,” and inserting “Guam, the Commonwealth of Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands,”; and

(3) in subsection (e)—

(A) in paragraph (1)(A), by inserting “the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands,” after “Hawaii,” each place it appears; and

(B) in paragraph (6)(B), in the matter preceding clause (i), by inserting “the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands,” after “Guam,”.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall be effective with respect to the Commonwealth of Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands, as applicable, on the date described in paragraph (2) if the Secretary of Agriculture submits to Congress a certification under subsection (f)(2)(B) of section 19 of the Food and Nutrition Act of 2008 (7 U.S.C. 2028).
(2) DATE DESCRIBED.—The date referred to in paragraph (1) is, with respect to the Commonwealth of Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands, the date established by the Commonwealth of Puerto Rico, American Samoa, or the Commonwealth of the Northern Mariana Islands, respectively, in the applicable plan of operation submitted to the Secretary of Agriculture under subsection (f)(1) of section 19 of the Food and Nutrition Act of 2008 (7 U.S.C. 2028).

(d) TRANSITION OF PUERTO RICO, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.—Section 19 of the Food and Nutrition Act of 2008 (7 U.S.C. 2028) is amended—

(1) in subsection (a)(1)—

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

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

(C) by adding at the end the following:

“(C) the Commonwealth of the Northern Mariana Islands.”; and

(2) by adding at the end the following:
“(f) TRANSITION OF PUERTO RICO, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.—

“(1) DEFINITION OF GOVERNMENTAL ENTITY.—In this subsection, the term ‘governmental entity’ means—

“(A) the Commonwealth of Puerto Rico;
“(B) American Samoa; and
“(C) the Commonwealth of the Northern Mariana Islands.

“(2) REQUEST FOR PARTICIPATION.—A governmental entity may submit to the Secretary a request to participate in the supplemental nutrition assistance program, which shall include a plan of operation described in section 11(d), which shall include the date on which the governmental entity intends to begin participation in the program.

“(3) CERTIFICATION BY SECRETARY.—

“(A) IN GENERAL.—The Secretary shall certify a governmental entity that submits a request under paragraph (2) as qualified to participate in the supplemental nutrition assistance program if the Secretary—
“(i) approves the plan of operation submitted with the request, in accordance with this subsection; and

“(ii) approves the applications described in paragraph (5) in accordance with that paragraph.

“(B) SUBMISSION OF CERTIFICATION TO CONGRESS.—The Secretary shall submit each certification under subparagraph (A) to Congress.

“(C) CERTIFICATION DECISION.—The Secretary shall certify or not certify a governmental entity that submits a request under paragraph (2) not later than 90 days after the date on which the Secretary receives the request.

“(4) DETERMINATION OF PLAN OF OPERATION.—

“(A) APPROVAL.—The Secretary shall approve a plan of operation submitted with a request under paragraph (2) if the plan satisfies the requirements under this Act.

“(B) DISAPPROVAL.—If the Secretary does not approve a plan of operation submitted with a request under paragraph (2), the Secretary
shall provide to the governmental entity a state-
ment that describes each requirement under
this Act that is not satisfied by the plan.

“(5) RETAIL FOOD STORES.—If the Secretary
approves a plan of operation under paragraph (4)(A)
for a governmental entity, the Secretary shall accept
applications from retail food stores located in that
governmental entity to be authorized under section
9 to participate in the supplemental nutrition assist-
ance program.

“(6) PUERTO RICO.—In the case of a request
under paragraph (2) by the Commonwealth of Puer-
to Rico, notwithstanding subsection (g), the Sec-
retary shall allow the Commonwealth of Puerto Rico
to continue to carry out under the supplemental nu-
trition assistance program the Family Market Pro-
gram established pursuant to this section.

“(7) TEMPORARY FUNDING.—Any govern-
mental entity that has a request under paragraph
(2) pending before the Secretary (including a plan of
operation pending under paragraph (4)) shall receive
block grants under this section, in amounts deter-
mined by the Secretary, until the date on which the
Secretary certifies the governmental entity.
“(8) Authorization of Appropriations.—

There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subsection for fiscal year 2021, to remain available until expended.

“(g) Technical Infrastructure Implementation.—

“(1) In general.—A governmental entity (as defined in subsection (f)) may request from the Secretary a 1-time grant to pay for the cost of the technology infrastructure necessary to implement the supplemental nutrition assistance program, including the cost of information technology, information technology personnel, and training relating to program implementation.

“(2) Application.—A governmental entity making a request under paragraph (1) for a grant shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the costs to be paid for by the grant; and

“(B) a plan for implementing the technology infrastructure described in paragraph (1)—
“(i) within 1 year of receiving the grant; and

“(ii) that is reasonably cost efficient, as determined by the Secretary.

“(3) DETERMINATION.—

“(A) TIME LIMIT.—The Secretary shall approve or deny an application submitted under paragraph (2) not later than 90 days after the date on which the application is submitted.

“(B) DENIAL.—If the Secretary denies an application submitted under paragraph (2), the governmental entity may amend the plan described in subparagraph (B) of that paragraph, in coordination with the Secretary, to resubmit to the Secretary for approval.

“(4) FUNDING.—

“(A) IN GENERAL.—There is appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, $5,000,000 to carry out this subsection, to remain available until 3 years after the date of enactment of this subsection.

“(B) REVERSION OF FUNDS.—Any funds appropriated to the Secretary under subparagraph (A) that remain available by the date de-
scribed in that subparagraph shall revert to the
Treasury.

“(h) TERMINATION OF EFFECTIVENESS.—

“(1) IN GENERAL.—Subsections (a) through (e)
shall cease to be effective with respect to the Com-
monwealth of Puerto Rico, American Samoa, and
the Commonwealth of the Northern Mariana Is-
lands, as applicable, on the date described in para-
graph (2) if the Secretary submits to Congress a
certification under subsection (f)(3)(B) for that gov-
ernmental entity.

“(2) DATE DESCRIBED.—The date referred to
in paragraph (1) is, with respect to the Common-
wealth of Puerto Rico, American Samoa, and the
Commonwealth of the Northern Mariana Islands,
the date established by the Commonwealth of Puerto
Rico, American Samoa, or the Commonwealth of the
Northern Mariana Islands, respectively, in the appli-
cable plan of operation submitted to the Secretary
under subsection (f)(2).”.


TITLE III—EQUITABLE TREATMENT FOR PUERTO RICO AND THE VIRGIN ISLANDS WITH RESPECT TO TAX CREDITS

SEC. 301. EQUITABLE TREATMENT FOR RESIDENTS OF PUERTO RICO AND THE VIRGIN ISLANDS WITH RESPECT TO THE EARNED INCOME TAX CREDIT AND THE CHILD TAX CREDIT.

(a) PUERTO RICO RESIDENTS ELIGIBLE FOR EARNED INCOME TAX CREDIT.—

(1) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986, as amended by section 9621(a) of the American Rescue Plan Act of 2021 (Public Law 117-2), is amended by adding at the end the following new subsection:

“(o) RESIDENTS OF PUERTO RICO.—

“(1) IN GENERAL.—In the case of residents of Puerto Rico—

“(A) the United States shall be treated as including Puerto Rico for purposes of subsections (c)(1)(A)(ii)(I) and (c)(3)(C),

“(B) subsection (c)(1)(D) shall not apply to nonresident alien individuals who are residents of Puerto Rico, and
“(C) adjusted gross income and gross income shall be computed without regard to section 933 for purposes of subsections (a)(2)(B) and (c)(2)(A)(i).

“(2) LIMITATION.—The credit allowed under this section by reason of this subsection for any taxable year shall not exceed the amount, determined under regulations or other guidance promulgated by the Secretary, that a similarly situated taxpayer would receive if residing in a State.”.

(2) CHILD TAX CREDIT NOT REDUCED.—Subclause (II) of section 24(d)(1)(B)(ii) of such Code is amended by inserting before the period “(determined without regard to section 32(n) in the case of residents of Puerto Rico)”.

(3) EFFECTIVE DATE.—The amendments made this subsection shall apply to taxable years beginning after December 31, 2020.

(b) EQUITABLE TREATMENT FOR RESIDENTS OF PUERTO RICO WITH RESPECT TO THE REFUNDABLE PORTION OF THE CHILD TAX CREDIT.—

(1) IN GENERAL.—Section 24(d)(1) of the Internal Revenue Code of 1986 is amended by inserting “or section 933” after “section 112”.
(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years beginning after December 31, 2020.

(c) TREATMENT OF RESIDENTS OF THE VIRGIN ISLANDS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay to the government of the Virgin Islands amounts equal to the loss to that possession by reason of the application of—

(A) section 32 of the Internal Revenue Code of 1986 (determined as if subsection (o) of such section, as added by subsection (a), applied to bona fide residents of that possession), and

(B) section 24(d) of such Code (determined as if the amendment made by subsection (b) applied to bona fide residents of that possession),

with respect to taxable years beginning after December 31, 2020. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the Virgin Islands.

(2) TREATMENT OF PAYMENTS.—For purposes of section 1324(b)(2) of title 31, United States Code, the payments under this subsection shall be
treated in the same manner as a refund due from 
the credit allowed under section 32 or 24 (by reason 
of subsection (d) thereof), whichever is applicable, of 
the Internal Revenue Code of 1986.

TITLE IV—LABOR EQUITY FOR 
PUERTO RICO

SEC. 401. MINIMUM WAGE FOR YOUNG EMPLOYEES IN 
PUERTO RICO.

Section 6(g) of the Fair Labor Standards Act of 
1938 (29 U.S.C. 206(g)) is amended—

(1) by striking paragraph (2) and redesignating 
paragraphs (3) through (5) as paragraphs (2) 
through (4), respectively;

(2) in paragraph (2), as so redesignated, by 
striking “or (2)”;

(3) in paragraph (4), as so redesignated, by 
striking “20 years, except” and all that follows 
through the period and inserting “20 years.”.

SEC. 402. OVERTIME HOURS PROTECTIONS FOR WORKERS 
IN PUERTO RICO.

Section 404 of the Puerto Rico Oversight, Manage-
ment, and Economic Stability Act (48 U.S.C. 2193) is re-
peated.
TITLE V—EXTENSION OF SUPPLEMENTAL SECURITY INCOME (SSI) PROGRAM TO ALL TERRITORIES

SEC. 501. EXTENSION OF SSI PROGRAM TO ALL TERRITORIES.

(a) Application of Social Security Amendments of 1972 Amendments and Repeals to Territories.—

(1) In general.—Effective January 1, 2022, the amendments made by sections 301 and 302 of the Social Security Amendments of 1972 (Public Law 92–603) and the repeals made by section 303(a) of the Social Security Amendments of 1972 shall be applicable in the case of Puerto Rico, Guam, the Virgin Islands, and American Samoa.

(2) Conforming amendment.—Effective January 1, 2022, section 303 of the Social Security Amendments of 1972 (Public Law 92–603) is amended by striking subsection (b).

(b) Conforming Amendments.—

(1) Definition of State.—Section 1101(1) of the Social Security Act (42 U.S.C. 1301(1)) is amended by striking the fifth sentence and inserting the following: “In the case of supplemental security
income under title XVI, such term also includes the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.”

(2) Definition of United States.—Section 1614(e) of the Social Security Act (42 U.S.C. 1382c(e)) is amended by striking “and the District of Columbia” and inserting “, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa”.

(3) Effective Date.—The amendments made by this subsection shall take effect on January 1, 2022.