

# ***In the House of Representatives, U. S.,***

*May 24, 2007.*

*Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 2206) entitled “An Act making emergency supplemental appropriations and additional supplemental appropriations for agricultural and other emergency assistance for the fiscal year ending September 30, 2007, and for other purposes”, with the following

## **HOUSE AMENDMENT TO SENATE AMENDMENT:**

In lieu of the matter proposed to be inserted by the amendment of the Senate, insert the following:

**1 SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “U.S. Troop Readiness,*  
3 *Veterans’ Care, Katrina Recovery, and Iraq Accountability*  
4 *Appropriations Act, 2007”.*

**5 SEC. 2. TABLE OF CONTENTS.**

6 *The table of contents for this Act is as follows:*

*TITLE I—SUPPLEMENTAL APPROPRIATIONS FOR DEFENSE, INTERNATIONAL AFFAIRS, AND OTHER SECURITY-RELATED NEEDS*

*TITLE II—HURRICANE KATRINA RECOVERY*

*TITLE III—ADDITIONAL DEFENSE, INTERNATIONAL AFFAIRS, AND HOMELAND SECURITY PROVISIONS*

*TITLE IV—ADDITIONAL HURRICANE DISASTER RELIEF AND RECOVERY*

*TITLE V—OTHER EMERGENCY APPROPRIATIONS*

*TITLE VI—OTHER MATTERS*

*TITLE VII—ELIMINATION OF SCHIP SHORTFALL AND OTHER HEALTH MATTERS*

*TITLE VIII—FAIR MINIMUM WAGE AND TAX RELIEF*  
*TITLE IX—AGRICULTURAL ASSISTANCE*  
*TITLE X—GENERAL PROVISIONS*

1 **SEC. 3. STATEMENT OF APPROPRIATIONS.**

2       *The following sums in this Act are appropriated, out*  
 3 *of any money in the Treasury not otherwise appropriated,*  
 4 *for the fiscal year ending September 30, 2007.*

5 **TITLE I—SUPPLEMENTAL AP-**  
 6 **PROPRIATIONS FOR DE-**  
 7 **FENSE, INTERNATIONAL AF-**  
 8 **FAIRS, AND OTHER SECURITY-**  
 9 **RELATED NEEDS**

10 **CHAPTER 1**

11 *DEPARTMENT OF AGRICULTURE*

12 *FOREIGN AGRICULTURAL SERVICE*

13 *PUBLIC LAW 480 TITLE II GRANTS*

14       *For an additional amount for “Public Law 480 Title*  
 15 *II Grants”, during the current fiscal year, not otherwise*  
 16 *recoverable, and unrecovered prior years’ costs, including*  
 17 *interest thereon, under the Agricultural Trade Development*  
 18 *and Assistance Act of 1954, for commodities supplied in*  
 19 *connection with dispositions abroad under title II of said*  
 20 *Act, \$350,000,000, to remain available until expended.*

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**CHAPTER 2**

*DEPARTMENT OF JUSTICE*

*LEGAL ACTIVITIES*

*SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES*

*For an additional amount for “Salaries and Expenses, General Legal Activities”, \$1,648,000, to remain available until September 30, 2008.*

*SALARIES AND EXPENSES, UNITED STATES ATTORNEYS*

*For an additional amount for “Salaries and Expenses, United States Attorneys”, \$5,000,000, to remain available until September 30, 2008.*

*UNITED STATES MARSHALS SERVICE*

*SALARIES AND EXPENSES*

*For an additional amount for “Salaries and Expenses”, \$6,450,000, to remain available until September 30, 2008.*

*NATIONAL SECURITY DIVISION*

*SALARIES AND EXPENSES*

*For an additional amount for “Salaries and Expenses”, \$1,736,000, to remain available until September 30, 2008.*

*FEDERAL BUREAU OF INVESTIGATION*

*SALARIES AND EXPENSES*

*For an additional amount for “Salaries and Expenses”, \$118,260,000, to remain available until September 30, 2008.*

1                    *DRUG ENFORCEMENT ADMINISTRATION*2                    *SALARIES AND EXPENSES*

3            *For an additional amount for “Salaries and Ex-*  
4 *penses”, \$8,468,000, to remain available until September*  
5 *30, 2008.*

6                    *BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND*7                    *EXPLOSIVES*8                    *SALARIES AND EXPENSES*

9            *For an additional amount for “Salaries and Ex-*  
10 *penses”, \$4,000,000, to remain available until September*  
11 *30, 2008.*

12                    *FEDERAL PRISON SYSTEM*13                    *SALARIES AND EXPENSES*

14            *For an additional amount for “Salaries and Ex-*  
15 *penses”, \$17,000,000, to remain available until September*  
16 *30, 2008.*

17                    *GENERAL PROVISIONS—THIS CHAPTER*

18            *SEC. 1201. Funds provided in this Act for the “De-*  
19 *partment of Justice, United States Marshals Service, Sala-*  
20 *ries and Expenses” shall be made available according to*  
21 *the language relating to such account in the joint explana-*  
22 *tory statement accompanying the conference report on H.R.*  
23 *1591 of the 110th Congress (H. Rept. 110–107).*

24            *SEC. 1202. Funds provided in this Act for the “De-*  
25 *partment of Justice, Legal Activities, Salaries and Ex-*

1 *penses, General Legal Activities*”, shall be made available  
2 *according to the language relating to such account in the*  
3 *joint explanatory statement accompanying the conference*  
4 *report on H.R. 1591 of the 110th Congress (H. Rept. 110–*  
5 *107).*

### 6 **CHAPTER 3**

#### 7 *DEPARTMENT OF DEFENSE—MILITARY*

#### 8 *MILITARY PERSONNEL*

#### 9 *MILITARY PERSONNEL, ARMY*

10 *For an additional amount for “Military Personnel,*  
11 *Army”, \$8,510,270,000.*

#### 12 *MILITARY PERSONNEL, NAVY*

13 *For an additional amount for “Military Personnel,*  
14 *Navy”, \$692,127,000.*

#### 15 *MILITARY PERSONNEL, MARINE CORPS*

16 *For an additional amount for “Military Personnel,*  
17 *Marine Corps”, \$1,386,871,000.*

#### 18 *MILITARY PERSONNEL, AIR FORCE*

19 *For an additional amount for “Military Personnel,*  
20 *Air Force”, \$1,079,287,000.*

#### 21 *RESERVE PERSONNEL, ARMY*

22 *For an additional amount for “Reserve Personnel,*  
23 *Army”, \$147,244,000.*

1                    *RESERVE PERSONNEL, NAVY*

2            *For an additional amount for “Reserve Personnel,*  
3 *Navy”, \$77,800,000.*

4                    *RESERVE PERSONNEL, AIR FORCE*

5            *For an additional amount for “Reserve Personnel, Air*  
6 *Force”, \$5,500,000.*

7                    *NATIONAL GUARD PERSONNEL, ARMY*

8            *For an additional amount for “National Guard Per-*  
9 *sonnel, Army”, \$436,025,000.*

10                   *NATIONAL GUARD PERSONNEL, AIR FORCE*

11            *For an additional amount for “National Guard Per-*  
12 *sonnel, Air Force”, \$24,500,000.*

13                   *OPERATION AND MAINTENANCE*

14                   *OPERATION AND MAINTENANCE, ARMY*

15            *For an additional amount for “Operation and Mainte-*  
16 *nance, Army”, \$20,373,379,000.*

17                   *OPERATION AND MAINTENANCE, NAVY*

18                   *(INCLUDING TRANSFER OF FUNDS)*

19            *For an additional amount for “Operation and Mainte-*  
20 *nance, Navy”, \$4,652,670,000, of which up to \$120,293,000*  
21 *shall be transferred to Coast Guard, “Operating Expenses”,*  
22 *for reimbursement for activities which support activities re-*  
23 *quested by the Navy.*

1            *OPERATION AND MAINTENANCE, MARINE CORPS*

2            *For an additional amount for “Operation and Mainte-*  
3 *nance, Marine Corps”, \$1,146,594,000.*

4            *OPERATION AND MAINTENANCE, AIR FORCE*

5            *For an additional amount for “Operation and Mainte-*  
6 *nance, Air Force”, \$6,650,881,000.*

7            *OPERATION AND MAINTENANCE, DEFENSE-WIDE*

8            *For an additional amount for “Operation and Mainte-*  
9 *nance, Defense-Wide”, \$2,714,487,000, of which—*

10            *(1) not to exceed \$25,000,000 may be used for the*  
11 *Combatant Commander Initiative Fund, to be used in*  
12 *support of Operation Iraqi Freedom and Operation*  
13 *Enduring Freedom; and*

14            *(2) not to exceed \$200,000,000, to remain avail-*  
15 *able until expended, may be used for payments to re-*  
16 *imburse Pakistan, Jordan, and other key cooperating*  
17 *nations, for logistical, military, and other support*  
18 *provided to United States military operations, not-*  
19 *withstanding any other provision of law: Provided,*  
20 *That such payments may be made in such amounts*  
21 *as the Secretary of Defense, with the concurrence of*  
22 *the Secretary of State, and in consultation with the*  
23 *Director of the Office of Management and Budget,*  
24 *may determine, in his discretion, based on docu-*  
25 *mentation determined by the Secretary of Defense to*

1       *adequately account for the support provided, and such*  
2       *determination is final and conclusive upon the ac-*  
3       *counting officers of the United States, and 15 days*  
4       *following notification to the appropriate congressional*  
5       *committees: Provided further, That the Secretary of*  
6       *Defense shall provide quarterly reports to the congres-*  
7       *sional defense committees on the use of funds provided*  
8       *in this paragraph.*

9       *OPERATION AND MAINTENANCE, ARMY RESERVE*

10       *For an additional amount for “Operation and Mainte-*  
11       *nance, Army Reserve”, \$74,049,000.*

12       *OPERATION AND MAINTENANCE, NAVY RESERVE*

13       *For an additional amount for “Operation and Mainte-*  
14       *nance, Navy Reserve”, \$111,066,000.*

15       *OPERATION AND MAINTENANCE, MARINE CORPS RESERVE*

16       *For an additional amount for “Operation and Mainte-*  
17       *nance, Marine Corps Reserve”, \$13,591,000.*

18       *OPERATION AND MAINTENANCE, AIR FORCE RESERVE*

19       *For an additional amount for “Operation and Mainte-*  
20       *nance, Air Force Reserve”, \$10,160,000.*

21       *OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD*

22       *For an additional amount for “Operation and Mainte-*  
23       *nance, Army National Guard”, \$83,569,000.*

1     *OPERATION AND MAINTENANCE, AIR NATIONAL GUARD*

2             *For an additional amount for “Operation and Mainte-*  
3 *nance, Air National Guard”, \$38,429,000.*

4             *AFGHANISTAN SECURITY FORCES FUND*

5             *For an additional amount for “Afghanistan Security*  
6 *Forces Fund”, \$5,906,400,000, to remain available until*  
7 *September 30, 2008.*

8             *IRAQ SECURITY FORCES FUND*

9             *For an additional amount for “Iraq Security Forces*  
10 *Fund”, \$3,842,300,000, to remain available until Sep-*  
11 *tember 30, 2008.*

12             *IRAQ FREEDOM FUND*

13             *(INCLUDING TRANSFER OF FUNDS)*

14             *For an additional amount for “Iraq Freedom Fund”,*  
15 *\$355,600,000, to remain available for transfer until Sep-*  
16 *tember 30, 2008: Provided, That up to \$50,000,000 may*  
17 *be obligated and expended for purposes of the Task Force*  
18 *to Improve Business and Stability Operations in Iraq.*

19             *JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND*

20             *For an additional amount for “Joint Improvised Ex-*  
21 *plosive Device Defeat Fund”, \$2,432,800,000, to remain*  
22 *available until September 30, 2009.*



1                    *AIRCRAFT PROCUREMENT, NAVY*

2            *For an additional amount for “Aircraft Procurement,*  
3 *Navy”, \$1,090,287,000, to remain available until Sep-*  
4 *tember 30, 2009.*

5                    *WEAPONS PROCUREMENT, NAVY*

6            *For an additional amount for “Weapons Procurement,*  
7 *Navy”, \$163,813,000, to remain available until September*  
8 *30, 2009.*

9                    *PROCUREMENT OF AMMUNITION, NAVY AND MARINE*10    *CORPS*

11            *For an additional amount for “Procurement of Am-*  
12 *munition, Navy and Marine Corps”, \$159,833,000, to re-*  
13 *main available until September 30, 2009.*

14                    *OTHER PROCUREMENT, NAVY*

15            *For an additional amount for “Other Procurement,*  
16 *Navy”, \$618,709,000, to remain available until September*  
17 *30, 2009.*

18                    *PROCUREMENT, MARINE CORPS*

19            *For an additional amount for “Procurement, Marine*  
20 *Corps”, \$989,389,000, to remain available until September*  
21 *30, 2009.*

22                    *AIRCRAFT PROCUREMENT, AIR FORCE*

23            *For an additional amount for “Aircraft Procurement,*  
24 *Air Force”, \$2,106,468,000, to remain available until Sep-*  
25 *tember 30, 2009.*

1                    *MISSILE PROCUREMENT, AIR FORCE*

2            *For an additional amount for “Missile Procurement,*  
3 *Air Force”, \$94,900,000, to remain available until Sep-*  
4 *tember 30, 2009.*

5                    *PROCUREMENT OF AMMUNITION, AIR FORCE*

6            *For an additional amount for “Procurement of Am-*  
7 *munition, Air Force”, \$6,000,000, to remain available until*  
8 *September 30, 2009.*

9                    *OTHER PROCUREMENT, AIR FORCE*

10          *For an additional amount for “Other Procurement,*  
11 *Air Force”, \$1,957,160,000, to remain available until Sep-*  
12 *tember 30, 2009.*

13                    *PROCUREMENT, DEFENSE-WIDE*

14          *For an additional amount for “Procurement, Defense-*  
15 *Wide”, \$721,190,000, to remain available until September*  
16 *30, 2009.*

17                    *RESEARCH, DEVELOPMENT, TEST AND*  
18    *EVALUATION*

19 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*

20          *For an additional amount for “Research, Develop-*  
21 *ment, Test and Evaluation, Army”, \$100,006,000, to re-*  
22 *main available until September 30, 2008.*

1 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*

2 *For an additional amount for “Research, Develop-*  
3 *ment, Test and Evaluation, Navy”, \$298,722,000, to re-*  
4 *main available until September 30, 2008.*

5 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR*  
6 *FORCE*

7 *For an additional amount for “Research, Develop-*  
8 *ment, Test and Evaluation, Air Force”, \$187,176,000, to*  
9 *remain available until September 30, 2008.*

10 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*  
11 *DEFENSE-WIDE*

12 *For an additional amount for “Research, Develop-*  
13 *ment, Test and Evaluation, Defense-Wide”, \$512,804,000,*  
14 *to remain available until September 30, 2008.*

15 *REVOLVING AND MANAGEMENT FUNDS*

16 *DEFENSE WORKING CAPITAL FUNDS*

17 *For an additional amount for “Defense Working Cap-*  
18 *ital Funds”, \$1,115,526,000.*

19 *NATIONAL DEFENSE SEALIFT FUND*

20 *For an additional amount for “National Defense Sea-*  
21 *lift Fund”, \$5,000,000.*

22 *OTHER DEPARTMENT OF DEFENSE PROGRAMS*

23 *DEFENSE HEALTH PROGRAM*

24 *For an additional amount for “Defense Health Pro-*  
25 *gram”, \$1,123,147,000.*

1     *DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,*  
2                                     *DEFENSE*

3             *For an additional amount for “Drug Interdiction and*  
4 *Counter-Drug Activities, Defense”, \$254,665,000, to remain*  
5 *available until expended.*

6                                     *RELATED AGENCIES*

7             *INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT*

8             *For an additional amount for “Intelligence Commu-*  
9 *nity Management Account”, \$71,726,000.*

10                                    *GENERAL PROVISIONS—THIS CHAPTER*

11            *SEC. 1301. Appropriations provided in this Act are*  
12 *available for obligation until September 30, 2007, unless*  
13 *otherwise provided herein.*

14                                    *(TRANSFER OF FUNDS)*

15            *SEC. 1302. Upon his determination that such action*  
16 *is necessary in the national interest, the Secretary of De-*  
17 *fense may transfer between appropriations up to*  
18 *\$3,500,000,000 of the funds made available to the Depart-*  
19 *ment of Defense (except for military construction) in this*  
20 *Act: Provided, That the Secretary shall notify the Congress*  
21 *promptly of each transfer made pursuant to the authority*  
22 *in this section: Provided further, That the authority pro-*  
23 *vided in this section is in addition to any other transfer*  
24 *authority available to the Department of Defense and is*  
25 *subject to the same terms and conditions as the authority*  
26 *provided in section 8005 of the Department of Defense Ap-*

1 *ropriations Act, 2007 (Public Law 109–289; 120 Stat.*  
2 *1257), except for the fourth proviso: Provided further, That*  
3 *funds previously transferred to the “Joint Improvised Ex-*  
4 *plosive Device Defeat Fund” and the “Iraq Security Forces*  
5 *Fund” under the authority of section 8005 of Public Law*  
6 *109–289 and transferred back to their source appropri-*  
7 *tions accounts shall not be taken into account for purposes*  
8 *of the limitation on the amount of funds that may be trans-*  
9 *ferred under section 8005.*

10 *SEC. 1303. Funds appropriated in this Act, or made*  
11 *available by the transfer of funds in or pursuant to this*  
12 *Act, for intelligence activities are deemed to be specifically*  
13 *authorized by the Congress for purposes of section 504(a)(1)*  
14 *of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).*

15 *SEC. 1304. None of the funds provided in this Act may*  
16 *be used to finance programs or activities denied by Congress*  
17 *in fiscal years 2006 or 2007 appropriations to the Depart-*  
18 *ment of Defense (except for military construction) or to ini-*  
19 *tiate a procurement or research, development, test and eval-*  
20 *uation new start program without prior written notifica-*  
21 *tion to the congressional defense committees.*

22 *(TRANSFER OF FUNDS)*

23 *SEC. 1305. During fiscal year 2007, the Secretary of*  
24 *Defense may transfer not to exceed \$6,300,000 of the*  
25 *amounts in or credited to the Defense Cooperation Account,*  
26 *pursuant to 10 U.S.C. 2608, to such appropriations or*

1 *funds of the Department of Defense as he shall determine*  
2 *for use consistent with the purposes for which such funds*  
3 *were contributed and accepted: Provided, That such*  
4 *amounts shall be available for the same time period as the*  
5 *appropriation to which transferred: Provided further, That*  
6 *the Secretary shall report to the Congress all transfers made*  
7 *pursuant to this authority.*

8       *SEC. 1306. (a) AUTHORITY TO PROVIDE SUPPORT.—*  
9 *Of the amount appropriated by this Act under the heading,*  
10 *“Drug Interdiction and Counter-Drug Activities, Defense”,*  
11 *not to exceed \$60,000,000 may be used for support for*  
12 *counter-drug activities of the Governments of Afghanistan*  
13 *and Pakistan: Provided, That such support shall be in addi-*  
14 *tion to support provided for the counter-drug activities of*  
15 *such Governments under any other provision of the law.*

16       *(b) TYPES OF SUPPORT.—*

17           *(1) Except as specified in subsection (b)(2) of*  
18 *this section, the support that may be provided under*  
19 *the authority in this section shall be limited to the*  
20 *types of support specified in section 1033(c)(1) of the*  
21 *National Defense Authorization Act for Fiscal Year*  
22 *1998 (Public Law 105–85, as amended by Public*  
23 *Laws 106–398, 108–136, and 109–364) and condi-*  
24 *tions on the provision of support as contained in sec-*  
25 *tion 1033 shall apply for fiscal year 2007.*

1           (2) *The Secretary of Defense may transfer vehi-*  
2           *cles, aircraft, and detection, interception, monitoring*  
3           *and testing equipment to said Governments for*  
4           *counter-drug activities.*

5           *SEC. 1307. (a) From funds made available for oper-*  
6           *ation and maintenance in this Act to the Department of*  
7           *Defense, not to exceed \$456,400,000 may be used, notwith-*  
8           *standing any other provision of law, to fund the Com-*  
9           *manders' Emergency Response Program, for the purpose of*  
10          *enabling military commanders in Iraq and Afghanistan to*  
11          *respond to urgent humanitarian relief and reconstruction*  
12          *requirements within their areas of responsibility by car-*  
13          *rying out programs that will immediately assist the Iraqi*  
14          *and Afghan people.*

15          *(b) QUARTERLY REPORTS.—Not later than 15 days*  
16          *after the end of each fiscal year quarter, the Secretary of*  
17          *Defense shall submit to the congressional defense committees*  
18          *a report regarding the source of funds and the allocation*  
19          *and use of funds during that quarter that were made avail-*  
20          *able pursuant to the authority provided in this section or*  
21          *under any other provision of law for the purposes of the*  
22          *programs under subsection (a).*

23          *SEC. 1308. Section 9010 of division A of Public Law*  
24          *109–289 is amended by striking “2007” each place it ap-*  
25          *pears and inserting “2008”.*



1 *in programs in Pakistan from amounts appropriated by*  
2 *this Act as follows:*

3 *“Military Personnel, Army”, \$70,000,000.*

4 *“National Guard Personnel, Army”,*  
5 *\$13,183,000.*

6 *“Defense Health Program”, \$26,817,000.*

7 *SEC. 1314. (a) FINDINGS REGARDING PROGRESS IN*  
8 *IRAQ, THE ESTABLISHMENT OF BENCHMARKS TO MEASURE*  
9 *THAT PROGRESS, AND REPORTS TO CONGRESS.—Congress*  
10 *makes the following findings:*

11 *(1) Over 145,000 American military personnel*  
12 *are currently serving in Iraq, like thousands of others*  
13 *since March 2003, with the bravery and profes-*  
14 *sionalism consistent with the finest traditions of the*  
15 *United States Armed Forces, and are deserving of the*  
16 *strong support of all Americans.*

17 *(2) Many American service personnel have lost*  
18 *their lives, and many more have been wounded in*  
19 *Iraq; the American people will always honor their*  
20 *sacrifice and honor their families.*

21 *(3) The United States Army and Marine Corps,*  
22 *including their Reserve components and National*  
23 *Guard organizations, together with components of the*  
24 *other branches of the military, are performing their*  
25 *missions while under enormous strain from multiple,*

1 *extended deployments to Iraq and Afghanistan. These*  
2 *deployments, and those that will follow, will have a*  
3 *lasting impact on future recruiting, retention, and*  
4 *readiness of our Nation's all volunteer force.*

5 *(4) Iraq is experiencing a deteriorating problem*  
6 *of sectarian and intrasectarian violence based upon*  
7 *political distrust and cultural differences among fac-*  
8 *tions of the Sunni and Shia populations.*

9 *(5) Iraqis must reach political and economic set-*  
10 *tlements in order to achieve reconciliation, for there*  
11 *is no military solution. The failure of the Iraqis to*  
12 *reach such settlements to support a truly unified gov-*  
13 *ernment greatly contributes to the increasing violence*  
14 *in Iraq.*

15 *(6) The responsibility for Iraq's internal security*  
16 *and halting sectarian violence rests with the sovereign*  
17 *Government of Iraq.*

18 *(7) In December 2006, the bipartisan Iraq Study*  
19 *Group issued a valuable report, suggesting a com-*  
20 *prehensive strategy that includes new and enhanced*  
21 *diplomatic and political efforts in Iraq and the re-*  
22 *gion, and a change in the primary mission of U.S.*  
23 *forces in Iraq, that will enable the United States to*  
24 *begin to move its combat forces out of Iraq respon-*  
25 *sibly.*

1           (8) *The President said on January 10, 2007,*  
2           *that “I’ve made it clear to the Prime Minister and*  
3           *Iraq’s other leaders that America’s commitment is not*  
4           *open-ended” so as to dispel the contrary impression*  
5           *that exists.*

6           (9) *It is essential that the sovereign Government*  
7           *of Iraq set out measurable and achievable benchmarks*  
8           *and President Bush said, on January 10, 2007, that*  
9           *“America will change our approach to help the Iraqi*  
10           *government as it works to meet these benchmarks”.*

11           (10) *As reported by Secretary of State Rice,*  
12           *Iraq’s Policy Committee on National Security agreed*  
13           *upon a set of political, security, and economic bench-*  
14           *marks and an associated timeline in September 2006*  
15           *that were: (A) reaffirmed by Iraq’s Presidency Coun-*  
16           *cil on October 6, 2006; (B) referenced by the Iraq*  
17           *Study Group; and (C) posted on the President of*  
18           *Iraq’s Web site.*

19           (11) *On April 21, 2007, Secretary of Defense*  
20           *Robert Gates stated that “our [American] commit-*  
21           *ment to Iraq is long-term, but it is not a commitment*  
22           *to have our young men and women patrolling Iraq’s*  
23           *streets open-endedly” and that “progress in reconcili-*  
24           *ation will be an important element of our evalua-*  
25           *tion”.*

1           (12) *The President's January 10, 2007, address*  
2           *had three components: political, military, and eco-*  
3           *nomie. Given that significant time has passed since*  
4           *his statement, and recognizing the overall situation is*  
5           *ever changing, Congress must have timely reports to*  
6           *evaluate and execute its constitutional oversight re-*  
7           *sponsibilities.*

8           (b) *CONDITIONING OF FUTURE UNITED STATES*  
9           *STRATEGY IN IRAQ ON THE IRAQI GOVERNMENT'S RECORD*  
10          *OF PERFORMANCE ON ITS BENCHMARKS.—*

11           (1) *IN GENERAL.—*

12           (A) *The United States strategy in Iraq,*  
13           *hereafter, shall be conditioned on the Iraqi gov-*  
14           *ernment meeting benchmarks, as told to members*  
15           *of Congress by the President, the Secretary of*  
16           *State, the Secretary of Defense, and the Chair-*  
17           *man of the Joint Chiefs of Staff, and reflected in*  
18           *the Iraqi Government's commitments to the*  
19           *United States, and to the international commu-*  
20           *nity, including:*

21                   (i) *Forming a Constitutional Review*  
22                   *Committee and then completing the con-*  
23                   *stitutional review.*

24                   (ii) *Enacting and implementing legis-*  
25                   *lation on de-Baathification.*

1                   (iii) *Enacting and implementing legis-*  
2                   *lation to ensure the equitable distribution of*  
3                   *hydrocarbon resources of the people of Iraq*  
4                   *without regard to the sect or ethnicity of re-*  
5                   *ipients, and enacting and implementing*  
6                   *legislation to ensure that the energy re-*  
7                   *sources of Iraq benefit Sunni Arabs, Shia*  
8                   *Arabs, Kurds, and other Iraqi citizens in*  
9                   *an equitable manner.*

10                   (iv) *Enacting and implementing legis-*  
11                   *lation on procedures to form semi-autono-*  
12                   *mous regions.*

13                   (v) *Enacting and implementing legis-*  
14                   *lation establishing an Independent High*  
15                   *Electoral Commission, provincial elections*  
16                   *law, provincial council authorities, and a*  
17                   *date for provincial elections.*

18                   (vi) *Enacting and implementing legis-*  
19                   *lation addressing amnesty.*

20                   (vii) *Enacting and implementing legis-*  
21                   *lation establishing a strong militia disar-*  
22                   *mament program to ensure that such secu-*  
23                   *rity forces are accountable only to the cen-*  
24                   *tral government and loyal to the Constitu-*  
25                   *tion of Iraq.*

1                   (viii) *Establishing supporting political,*  
2                   *media, economic, and services committees*  
3                   *in support of the Baghdad Security*  
4                   *Plan.*

5                   (ix) *Providing three trained and ready*  
6                   *Iraqi brigades to support Baghdad operations.*

8                   (x) *Providing Iraqi commanders with*  
9                   *all authorities to execute this plan and to*  
10                   *make tactical and operational decisions, in*  
11                   *consultation with U.S commanders, without*  
12                   *political intervention, to include the authority*  
13                   *to pursue all extremists, including*  
14                   *Sunni insurgents and Shiite militias.*

15                   (xi) *Ensuring that the Iraqi Security*  
16                   *Forces are providing even handed enforcement*  
17                   *of the law.*

18                   (xii) *Ensuring that, according to*  
19                   *President Bush, Prime Minister Maliki said*  
20                   *“the Baghdad security plan will not provide*  
21                   *a safe haven for any outlaws, regardless of*  
22                   *[their] sectarian or political affiliation”.*

23                   (xiii) *Reducing the level of sectarian*  
24                   *violence in Iraq and eliminating militia*  
25                   *control of local security.*

1                   (xiv) *Establishing all of the planned*  
2                   *joint security stations in neighborhoods*  
3                   *across Baghdad.*

4                   (xv) *Increasing the number of Iraqi se-*  
5                   *curity forces units capable of operating*  
6                   *independently.*

7                   (xvi) *Ensuring that the rights of mi-*  
8                   *nority political parties in the Iraqi legisla-*  
9                   *ture are protected.*

10                  (xvii) *Allocating and spending \$10 bil-*  
11                  *lion in Iraqi revenues for reconstruction*  
12                  *projects, including delivery of essential serv-*  
13                  *ices, on an equitable basis.*

14                  (xviii) *Ensuring that Iraq's political*  
15                  *authorities are not undermining or making*  
16                  *false accusations against members of the*  
17                  *Iraqi Security Forces.*

18                  (B) *The President shall submit reports to*  
19                  *Congress on how the sovereign Government of*  
20                  *Iraq is, or is not, achieving progress towards ac-*  
21                  *complishing the aforementioned benchmarks, and*  
22                  *shall advise the Congress on how that assessment*  
23                  *requires, or does not require, changes to the*  
24                  *strategy announced on January 10, 2007.*

25                  (2) *REPORTS REQUIRED.—*

1           (A) *The President shall submit an initial*  
2 *report, in classified and unclassified format, to*  
3 *the Congress, not later than July 15, 2007, as-*  
4 *sessing the status of each of the specific bench-*  
5 *marks established above, and declaring, in his*  
6 *judgment, whether satisfactory progress toward*  
7 *meeting these benchmarks is, or is not, being*  
8 *achieved.*

9           (B) *The President, having consulted with*  
10 *the Secretary of State, the Secretary of Defense,*  
11 *the Commander, Multi-National Forces-Iraq, the*  
12 *United States Ambassador to Iraq, and the Com-*  
13 *mander of U.S. Central Command, will prepare*  
14 *the report and submit the report to Congress.*

15           (C) *If the President's assessment of any of*  
16 *the specific benchmarks established above is un-*  
17 *satisfactory, the President shall include in that*  
18 *report a description of such revisions to the po-*  
19 *litical, economic, regional, and military compo-*  
20 *ments of the strategy, as announced by the Presi-*  
21 *dent on January 10, 2007. In addition, the*  
22 *President shall include in the report, the advis-*  
23 *ability of implementing such aspects of the bi-*  
24 *partisan Iraq Study Group, as he deems appro-*  
25 *priate.*

1           (D) *The President shall submit a second re-*  
2           *port to the Congress, not later than September*  
3           *15, 2007, following the same procedures and cri-*  
4           *teria outlined above.*

5           (E) *The reporting requirement detailed in*  
6           *section 1227 of the National Defense Authoriza-*  
7           *tion Act for Fiscal Year 2006 is waived from the*  
8           *date of the enactment of this Act through the pe-*  
9           *riod ending September 15, 2007.*

10          (3) *TESTIMONY BEFORE CONGRESS.—Prior to*  
11          *the submission of the President’s second report on*  
12          *September 15, 2007, and at a time to be agreed upon*  
13          *by the leadership of the Congress and the Administra-*  
14          *tion, the United States Ambassador to Iraq and the*  
15          *Commander, Multi-National Forces Iraq will be made*  
16          *available to testify in open and closed sessions before*  
17          *the relevant committees of the Congress.*

18          (c) *LIMITATIONS ON AVAILABILITY OF FUNDS.—*

19               (1) *LIMITATION.—No funds appropriated or oth-*  
20               *erwise made available for the “Economic Support*  
21               *Fund” and available for Iraq may be obligated or ex-*  
22               *pende unless and until the President of the United*  
23               *States certifies in the report outlined in subsection*  
24               *(b)(2)(A) and makes a further certification in the re-*  
25               *port outlined in subsection (b)(2)(D) that Iraq is*

1       *making progress on each of the benchmarks set forth*  
2       *in subsection (b)(1)(A).*

3           (2) *WAIVER AUTHORITY.—The President may*  
4       *waive the requirements of this section if he submits to*  
5       *Congress a written certification setting forth a de-*  
6       *tailed justification for the waiver, which shall include*  
7       *a detailed report describing the actions being taken by*  
8       *the United States to bring the Iraqi government into*  
9       *compliance with the benchmarks set forth in sub-*  
10       *section (b)(1)(A). The certification shall be submitted*  
11       *in unclassified form, but may include a classified*  
12       *annex.*

13           (d) *REDEPLOYMENT OF U.S. FORCES FROM IRAQ.—*  
14       *The President of the United States, in respecting the sov-*  
15       *ereign rights of the nation of Iraq, shall direct the orderly*  
16       *redeployment of elements of U.S. forces from Iraq, if the*  
17       *components of the Iraqi government, acting in strict accord-*  
18       *ance with their respective powers given by the Iraqi Con-*  
19       *stitution, reach a consensus as recited in a resolution, di-*  
20       *recting a redeployment of U.S. forces.*

21           (e) *INDEPENDENT ASSESSMENTS.—*

22                   (1) *ASSESSMENT BY THE COMPTROLLER GEN-*  
23        *ERAL.—*

24                           (A) *Not later than September 1, 2007, the*  
25        *Comptroller General of the United States shall*

1           *submit to Congress an independent report setting*  
2           *forth—*

3                     *(i) the status of the achievement of the*  
4                     *benchmarks specified in subsection*  
5                     *(b)(1)(A); and*

6                     *(ii) the Comptroller General’s assess-*  
7                     *ment of whether or not each such benchmark*  
8                     *has been met.*

9           (2) *ASSESSMENT OF THE CAPABILITIES OF IRAQI*  
10          *SECURITY FORCES.—*

11                    *(A) IN GENERAL.—There is hereby author-*  
12                    *ized to be appropriated for the Department of*  
13                    *Defense, \$750,000, that the Department, in turn,*  
14                    *will commission an independent, private sector*  
15                    *entity, which operates as a 501(c)(3), with recog-*  
16                    *nized credentials and expertise in military af-*  
17                    *fairs, to prepare an independent report assessing*  
18                    *the following:*

19                            *(i) The readiness of the Iraqi Security*  
20                            *Forces (ISF) to assume responsibility for*  
21                            *maintaining the territorial integrity of*  
22                            *Iraq, denying international terrorists a safe*  
23                            *haven, and bringing greater security to*  
24                            *Iraq’s 18 provinces in the next 12 to 18*

1                    *months, and bringing an end to sectarian*  
2                    *violence to achieve national reconciliation.*

3                    *(ii) The training, equipping, com-*  
4                    *mand, control and intelligence capabilities,*  
5                    *and logistics capacity of the ISF.*

6                    *(iii) The likelihood that, given the*  
7                    *ISF's record of preparedness to date, fol-*  
8                    *lowing years of training and equipping by*  
9                    *U.S. forces, the continued support of U.S.*  
10                   *troops will contribute to the readiness of the*  
11                   *ISF to fulfill the missions outlined in clause*  
12                   *(i).*

13                   *(B) REPORT.—Not later than 120 days*  
14                   *after the enactment of this Act, the designated*  
15                   *private sector entity shall provide an unclassi-*  
16                   *fied report, with a classified annex, containing*  
17                   *its findings, to the House and Senate Commit-*  
18                   *tees on Armed Services, Appropriations, Foreign*  
19                   *Relations/International Relations, and Intel-*  
20                   *ligence.*

1                                   **CHAPTER 4**  
2                                   *DEPARTMENT OF ENERGY*  
3                                   *ATOMIC ENERGY DEFENSE ACTIVITIES*  
4                                   *NATIONAL NUCLEAR SECURITY ADMINISTRATION*  
5                                   *DEFENSE NUCLEAR NONPROLIFERATION*  
6                                   *For an additional amount for “Defense Nuclear Non-*  
7 *proliferation”, \$63,000,000, to remain available until ex-*  
8 *pended.*

9                                   **CHAPTER 5**  
10                                  *DEPARTMENT OF DEFENSE*  
11                                  *MILITARY CONSTRUCTION, ARMY*  
12                                  *For an additional amount for “Military Construction,*  
13 *Army”, \$1,255,890,000, to remain available until Sep-*  
14 *tember 30, 2008: Provided, That notwithstanding any other*  
15 *provision of law, such funds may be obligated and expended*  
16 *to carry out planning and design and military construction*  
17 *projects not otherwise authorized by law: Provided further,*  
18 *That of the funds provided under this heading, not to exceed*  
19 *\$173,700,000 shall be available for study, planning, design,*  
20 *and architect and engineer services: Provided further, That*  
21 *of the funds made available under this heading,*  
22 *\$369,690,000 shall not be obligated or expended until the*  
23 *Secretary of Defense submits a detailed report explaining*  
24 *how military road construction is coordinated with NATO*  
25 *and coalition nations: Provided further, That of the funds*

1 *made available under this heading, \$401,700,000 shall not*  
2 *be obligated or expended until the Secretary of Defense sub-*  
3 *mits a detailed stationing plan to support Army end-*  
4 *strength growth to the Committees on Appropriations of the*  
5 *House of Representatives and the Senate: Provided further,*  
6 *That of the funds provided under this heading,*  
7 *\$274,800,000 shall not be obligated or expended until the*  
8 *Secretary of Defense certifies that none of the funds are to*  
9 *be used for the purpose of providing facilities for the perma-*  
10 *nent basing of United States military personnel in Iraq.*

11 *MILITARY CONSTRUCTION, NAVY AND MARINE CORPS*

12 *For an additional amount for “Military Construction,*  
13 *Navy and Marine Corps”, \$370,990,000, to remain avail-*  
14 *able until September 30, 2008: Provided, That notwith-*  
15 *standing any other provision of law, such funds may be*  
16 *obligated and expended to carry out planning and design*  
17 *and military construction projects not otherwise authorized*  
18 *by law: Provided further, That of the funds provided under*  
19 *this heading, not to exceed \$49,600,000 shall be available*  
20 *for study, planning, design, and architect and engineer*  
21 *services: Provided further, That of the funds made available*  
22 *under this heading, \$324,270,000 shall not be obligated or*  
23 *expended until the Secretary of Defense submits a detailed*  
24 *stationing plan to support Marine Corps end-strength*

1 *growth to the Committees on Appropriations of the House*  
2 *of Representatives and the Senate.*

3 *MILITARY CONSTRUCTION, AIR FORCE*

4 *For an additional amount for “Military Construction,*  
5 *Air Force”, \$43,300,000, to remain available until Sep-*  
6 *tember 30, 2008: Provided, That notwithstanding any other*  
7 *provision of law, such funds may be obligated and expended*  
8 *to carry out planning and design and military construction*  
9 *projects not otherwise authorized by law: Provided further,*  
10 *That of the funds provided under this heading, not to exceed*  
11 *\$3,000,000 shall be available for study, planning, design,*  
12 *and architect and engineer services.*

13 *GENERAL PROVISION—THIS CHAPTER*

14 *SEC. 1501. (a) Funds provided in this Act for the fol-*  
15 *lowing accounts shall be made available for programs under*  
16 *the conditions contained in the language of the joint explan-*  
17 *atory statement of managers accompanying the conference*  
18 *report on H.R. 1591 of the 110th Congress (H. Rept. 110-*  
19 *107):*

20 *“Military Construction, Army”.*

21 *“Military Construction, Navy and Marine*  
22 *Corps”.*

23 *“Military Construction, Air Force”.*

24 *(b) The Secretary of Defense shall submit all reports*  
25 *requested in House Report 110–60 and Senate Report 110–*

1 37 to the Committees on Appropriations of both Houses of  
2 Congress.

3 **CHAPTER 6**

4 *DEPARTMENT OF STATE AND RELATED AGENCY*

5 *DEPARTMENT OF STATE*

6 *ADMINISTRATION OF FOREIGN AFFAIRS*

7 *DIPLOMATIC AND CONSULAR PROGRAMS*

8 *(INCLUDING TRANSFER OF FUNDS)*

9 *For an additional amount for “Diplomatic and Con-*  
10 *sular Programs”, \$836,555,000, to remain available until*  
11 *September 30, 2008, of which \$64,655,000 for World Wide*  
12 *Security Upgrades is available until expended: Provided,*  
13 *That of the funds appropriated under this heading, not*  
14 *more than \$20,000,000 shall be made available for public*  
15 *diplomacy programs: Provided further, That prior to the*  
16 *obligation of funds pursuant to the previous proviso, the*  
17 *Secretary of State shall submit a report to the Committees*  
18 *on Appropriations describing a comprehensive public diplo-*  
19 *macy strategy, with goals and expected results, for fiscal*  
20 *years 2007 and 2008: Provided further, That 20 percent*  
21 *of the amount available for Iraq operations shall not be obli-*  
22 *gated until the Committees on Appropriations receive and*  
23 *approve a detailed plan for expenditure, prepared by the*  
24 *Secretary of State, and submitted within 60 days after the*  
25 *date of enactment of this Act: Provided further, That of the*  
26 *amount made available under this heading for Iraq, not*

1 *to exceed \$20,000,000 may be transferred to, and merged*  
2 *with, funds in the “Emergencies in the Diplomatic and*  
3 *Consular Service” appropriations account, to be available*  
4 *only for terrorism rewards.*

5 *OFFICE OF THE INSPECTOR GENERAL*

6 *(INCLUDING TRANSFER OF FUNDS)*

7 *For an additional amount for “Office of Inspector*  
8 *General”, \$35,000,000, to remain available until December*  
9 *31, 2008: Provided, That such amount shall be transferred*  
10 *to the Special Inspector General for Iraq Reconstruction for*  
11 *reconstruction oversight.*

12 *EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS*

13 *For an additional amount for “Educational and Cul-*  
14 *tural Exchange Programs”, \$20,000,000, to remain avail-*  
15 *able until expended.*

16 *INTERNATIONAL ORGANIZATIONS*

17 *CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING*

18 *ACTIVITIES*

19 *For an additional amount for “Contributions for*  
20 *International Peacekeeping Activities”, \$283,000,000, to re-*  
21 *main available until September 30, 2008.*

22 *RELATED AGENCY*

23 *BROADCASTING BOARD OF GOVERNORS*

24 *INTERNATIONAL BROADCASTING OPERATIONS*

25 *For an additional amount for “International Broad-*  
26 *casting Operations” for activities related to broadcasting to*

1 *the Middle East, \$10,000,000, to remain available until*  
2 *September 30, 2008.*

3 *BILATERAL ECONOMIC ASSISTANCE*  
4 *FUNDS APPROPRIATED TO THE PRESIDENT*  
5 *UNITED STATES AGENCY FOR INTERNATIONAL*  
6 *DEVELOPMENT*  
7 *CHILD SURVIVAL AND HEALTH PROGRAMS FUND*  
8 *(INCLUDING TRANSFER OF FUNDS)*

9 *For an additional amount for “Child Survival and*  
10 *Health Programs Fund”, \$161,000,000, to remain available*  
11 *until September 30, 2008: Provided, That notwithstanding*  
12 *any other provision of law, if the President determines and*  
13 *reports to the Committees on Appropriations that the*  
14 *human-to-human transmission of the avian influenza virus*  
15 *is efficient and sustained, and is spreading internationally,*  
16 *funds made available under the heading “Millennium Chal-*  
17 *lenge Corporation” and “Global HIV/AIDS Initiative” in*  
18 *prior Acts making appropriations for foreign operations,*  
19 *export financing, and related programs may be transferred*  
20 *to, and merged with, funds made available under this head-*  
21 *ing to combat avian influenza: Provided further, That funds*  
22 *made available pursuant to the authority of the previous*  
23 *proviso shall be subject to the regular notification proce-*  
24 *dures of the Committees on Appropriations.*



1 *of the funds made available under the heading “Economic*  
2 *Support Fund” in Public Law 109–234 for Iraq to promote*  
3 *democracy, rule of law and reconciliation, \$2,000,000*  
4 *should be made available for the United States Institute of*  
5 *Peace for programs and activities in Afghanistan to remain*  
6 *available until September 30, 2008.*

7 *ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC*

8 *STATES*

9 *For an additional amount for “Assistance for Eastern*  
10 *Europe and the Baltic States”, \$214,000,000, to remain*  
11 *available until September 30, 2008, for assistance for*  
12 *Kosovo.*

13 *DEPARTMENT OF STATE*

14 *DEMOCRACY FUND*

15 *For an additional amount for “Democracy Fund”,*  
16 *\$255,000,000, to remain available until September 30,*  
17 *2008: Provided, That of the funds appropriated under this*  
18 *heading, not less than \$190,000,000 shall be made available*  
19 *for the Human Rights and Democracy Fund of the Bureau*  
20 *of Democracy, Human Rights, and Labor, Department of*  
21 *State, and not less than \$60,000,000 shall be made available*  
22 *for the United States Agency for International Develop-*  
23 *ment, for democracy, human rights and rule of law pro-*  
24 *grams in Iraq: Provided further, That not later than 60*  
25 *days after enactment of this Act, the Secretary of State shall*  
26 *submit a report to the Committees on Appropriations de-*

1 *scribing a comprehensive, long-term strategy, with goals*  
2 *and expected results, for strengthening and advancing de-*  
3 *mocracy in Iraq.*

4 *INTERNATIONAL NARCOTICS CONTROL AND LAW*

5 *ENFORCEMENT*

6 *For an additional amount for “International Nar-*  
7 *cotics Control and Law Enforcement”, \$210,000,000, to re-*  
8 *main available until September 30, 2008.*

9 *MIGRATION AND REFUGEE ASSISTANCE*

10 *For an additional amount for “Migration and Refugee*  
11 *Assistance”, \$71,500,000, to remain available until Sep-*  
12 *tember 30, 2008, of which not less than \$5,000,000 shall*  
13 *be made available to rescue Iraqi scholars.*

14 *UNITED STATES EMERGENCY REFUGEE AND MIGRATION*

15 *ASSISTANCE FUND*

16 *For an additional amount for “United States Emer-*  
17 *gency Refugee and Migration Assistance Fund”,*  
18 *\$30,000,000, to remain available until expended.*

19 *NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND*

20 *RELATED PROGRAMS*

21 *For an additional amount for “Nonproliferation,*  
22 *Anti-Terrorism, Demining and Related Programs”,*  
23 *\$27,500,000, to remain available until September 30, 2008.*

1                    *DEPARTMENT OF THE TREASURY*  
2                    *INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE*  
3                    *For an additional amount for “International Affairs*  
4 *Technical Assistance”, \$2,750,000, to remain available*  
5 *until September 30, 2008.*

6                    *MILITARY ASSISTANCE*  
7                    *FUNDS APPROPRIATED TO THE PRESIDENT*  
8                    *FOREIGN MILITARY FINANCING PROGRAM*  
9                    *For an additional amount for “Foreign Military Fi-*  
10 *ancing Program”, \$220,000,000, to remain available until*  
11 *September 30, 2008.*

12                    *PEACEKEEPING OPERATIONS*  
13                    *For an additional amount for “Peacekeeping Oper-*  
14 *ations”, \$190,000,000, to remain available until September*  
15 *30, 2008: Provided, That not later than 30 days after enact-*  
16 *ment of this Act and every 30 days thereafter until Sep-*  
17 *tember 30, 2008, the Secretary of State shall submit a re-*  
18 *port to the Committees on Appropriations detailing the ob-*  
19 *ligation and expenditure of funds made available under this*  
20 *heading in this Act and in prior Acts making appropria-*  
21 *tions for foreign operations, export financing, and related*  
22 *programs.*

23                    *GENERAL PROVISION—THIS CHAPTER*  
24                    *AUTHORIZATION OF FUNDS*  
25                    *SEC. 1601. Funds appropriated by this Act may be*  
26 *obligated and expended notwithstanding section 10 of Pub-*

1 *lic Law 91–672 (22 U.S.C. 2412), section 15 of the State*  
 2 *Department Basic Authorities Act of 1956 (22 U.S.C.*  
 3 *2680), section 313 of the Foreign Relations Authorization*  
 4 *Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6212), and*  
 5 *section 504(a)(1) of the National Security Act of 1947 (50*  
 6 *U.S.C. 414(a)(1)).*

7 **TITLE II—HURRICANE KATRINA**  
 8 **RECOVERY**

9 *DEPARTMENT OF HOMELAND SECURITY*

10 *FEDERAL EMERGENCY MANAGEMENT AGENCY*

11 *DISASTER RELIEF*

12 *For an additional amount for “Disaster Relief”,*  
 13 *\$3,400,000,000, to remain available until expended.*

14 **TITLE III—ADDITIONAL DE-**  
 15 **FENSE, INTERNATIONAL AF-**  
 16 **FAIRS, AND HOMELAND SECU-**  
 17 **RITY PROVISIONS**

18 **CHAPTER 1**

19 *DEPARTMENT OF AGRICULTURE*

20 *FOREIGN AGRICULTURAL SERVICE*

21 *PUBLIC LAW 480 TITLE II GRANTS*

22 *For an additional amount for “Public Law 480 Title*  
 23 *II Grants”, during the current fiscal year, not otherwise*  
 24 *recoverable, and unrecovered prior years’ costs, including*  
 25 *interest thereon, under the Agricultural Trade Development*

1 *and Assistance Act of 1954, for commodities supplied in*  
2 *connection with dispositions abroad under title II of said*  
3 *Act, \$100,000,000, to remain available until expended.*

4 **GENERAL PROVISION—THIS CHAPTER**

5 *SEC. 3101. There is hereby appropriated \$10,000,000*  
6 *to reimburse the Commodity Credit Corporation for the re-*  
7 *lease of eligible commodities under section 302(f)(2)(A) of*  
8 *the Bill Emerson Humanitarian Trust Act (7 U.S.C.*  
9 *1736f-1): Provided, That any such funds made available*  
10 *to reimburse the Commodity Credit Corporation shall only*  
11 *be used to replenish the Bill Emerson Humanitarian Trust.*

12 **CHAPTER 2**

13 **DEPARTMENT OF JUSTICE**

14 **FEDERAL BUREAU OF INVESTIGATION**

15 **SALARIES AND EXPENSES**

16 *For an additional amount for “Salaries and Ex-*  
17 *penses”, \$139,740,000, of which \$129,740,000 is to remain*  
18 *available until September 30, 2008 and \$10,000,000 is to*  
19 *remain available until expended to implement corrective ac-*  
20 *tions in response to the findings and recommendations in*  
21 *the Department of Justice Office of Inspector General report*  
22 *entitled, “A Review of the Federal Bureau of Investigation’s*  
23 *Use of National Security Letters”, of which \$500,000 shall*  
24 *be transferred to and merged with “Department of Justice,*  
25 *Office of the Inspector General”.*

1            *DRUG ENFORCEMENT ADMINISTRATION*2                            *SALARIES AND EXPENSES*

3            *For an additional amount for “Salaries and Ex-*  
4 *penses”, \$3,698,000, to remain available until September*  
5 *30, 2008.*

6            *GENERAL PROVISION—THIS CHAPTER*

7            *SEC. 3201. Funds provided in this Act for the “De-*  
8 *partment of Justice, Federal Bureau of Investigation, Sala-*  
9 *ries and Expenses”, shall be made available according to*  
10 *the language relating to such account in the joint explana-*  
11 *tory statement accompanying the conference report on H.R.*  
12 *1591 of the 110th Congress (H. Rept. 110–107).*

13                            ***CHAPTER 3***14                            *DEPARTMENT OF DEFENSE—MILITARY*15                                    *MILITARY PERSONNEL*16    *MILITARY PERSONNEL, ARMY*

17            *For an additional amount for “Military Personnel,*  
18 *Army”, \$343,080,000.*

19    *MILITARY PERSONNEL, NAVY*

20            *For an additional amount for “Military Personnel,*  
21 *Navy”, \$408,283,000.*

22    *MILITARY PERSONNEL, MARINE CORPS*

23            *For an additional amount for “Military Personnel,*  
24 *Marine Corps”, \$108,956,000.*

1                    *MILITARY PERSONNEL, AIR FORCE*

2            *For an additional amount for “Military Personnel,*  
3 *Air Force”, \$139,300,000.*

4                    *RESERVE PERSONNEL, NAVY*

5            *For an additional amount for “Reserve Personnel,*  
6 *Navy”, \$8,223,000.*

7                    *RESERVE PERSONNEL, MARINE CORPS*

8            *For an additional amount for “Reserve Personnel, Ma-*  
9 *rine Corps”, \$5,660,000.*

10                   *RESERVE PERSONNEL, AIR FORCE*

11           *For an additional amount for “Reserve Personnel, Air*  
12 *Force”, \$6,073,000.*

13                   *NATIONAL GUARD PERSONNEL, ARMY*

14           *For an additional amount for “National Guard Per-*  
15 *sonnel, Army”, \$109,261,000.*

16                   *NATIONAL GUARD PERSONNEL, AIR FORCE*

17           *For an additional amount for “National Guard Per-*  
18 *sonnel, Air Force”, \$19,533,000.*

19                   *OPERATION AND MAINTENANCE*20                   *OPERATION AND MAINTENANCE, NAVY*

21           *For an additional amount for “Operation and Mainte-*  
22 *nance, Navy”, \$24,000,000.*

1                    *STRATEGIC RESERVE READINESS FUND*2                    *(INCLUDING TRANSFER OF FUNDS)*

3            *In addition to amounts provided in this or any other*  
4 *Act, for training, operations, repair of equipment, pur-*  
5 *chases of equipment, and other expenses related to improv-*  
6 *ing the readiness of non-deployed United States military*  
7 *forces, \$1,615,000,000, to remain available until September*  
8 *30, 2009; of which \$1,000,000,000 shall be transferred to*  
9 *“National Guard and Reserve Equipment” for the purchase*  
10 *of equipment for the Army National Guard; and of which*  
11 *\$615,000,000 shall be transferred by the Secretary of De-*  
12 *fense only to appropriations for military personnel, oper-*  
13 *ation and maintenance, procurement, and defense working*  
14 *capital funds to accomplish the purposes provided herein:*  
15 *Provided, That the funds transferred shall be merged with*  
16 *and shall be available for the same purposes and for the*  
17 *same time period as the appropriation to which transferred:*  
18 *Provided further, That the Secretary of Defense shall, not*  
19 *fewer than 30 days prior to making transfers under this*  
20 *authority, notify the congressional defense committees in*  
21 *writing of the details of any such transfers made pursuant*  
22 *to this authority: Provided further, That funds shall be*  
23 *transferred to the appropriation accounts not later than*  
24 *120 days after the enactment of this Act: Provided further,*  
25 *That the transfer authority provided in this paragraph is*

1 *in addition to any other transfer authority available to the*  
2 *Department of Defense: Provided further, That upon a de-*  
3 *termination that all or part of the funds transferred from*  
4 *this appropriation are not necessary for the purposes pro-*  
5 *vided herein, such amounts may be transferred back to this*  
6 *appropriation.*

7 **PROCUREMENT**

8 **OTHER PROCUREMENT, ARMY**

9 *For an additional amount for “Other Procurement,*  
10 *Army”, \$1,217,000,000, to remain available until Sep-*  
11 *tember 30, 2009: Provided, That the amount provided under*  
12 *this heading shall be available only for the purchase of mine*  
13 *resistant ambush protected vehicles.*

14 **OTHER PROCUREMENT, NAVY**

15 *For an additional amount for ”Other Procurement,*  
16 *Navy”, \$130,040,000, to remain available until September*  
17 *30, 2009: Provided, That the amount provided under this*  
18 *heading shall be available only for the purchase of mine*  
19 *resistant ambush protected vehicles.*

20 **PROCUREMENT, MARINE CORPS**

21 *For an additional amount for “Procurement, Marine*  
22 *Corps”, \$1,263,360,000, to remain available until Sep-*  
23 *tember 30, 2009: Provided, That the amount provided under*  
24 *this heading shall be available only for the purchase of mine*  
25 *resistant ambush protected vehicles.*

1                    *OTHER PROCUREMENT, AIR FORCE*

2            *For an additional amount for “Other Procurement,*  
3 *Air Force”, \$139,040,000, to remain available until Sep-*  
4 *tember 30, 2009: Provided, That the amount provided under*  
5 *this heading shall be available only for the purchase of mine*  
6 *resistant ambush protected vehicles.*

7                    *PROCUREMENT, DEFENSE-WIDE*

8            *For an additional amount for “Procurement, Defense-*  
9 *Wide”, \$258,860,000, to remain available until September*  
10 *30, 2009: Provided, That the amount provided under this*  
11 *heading shall be available only for the purchase of mine*  
12 *resistant ambush protected vehicles.*

13        *OTHER DEPARTMENT OF DEFENSE PROGRAMS*

14                    *DEFENSE HEALTH PROGRAM*

15                    *(INCLUDING TRANSFER OF FUNDS)*

16            *For an additional amount for “Defense Health Pro-*  
17 *gram”, \$1,878,706,000; of which \$1,429,006,000 shall be for*  
18 *operation and maintenance, including \$600,000,000 which*  
19 *shall be available for the treatment of traumatic brain in-*  
20 *jury and post-traumatic stress disorder and remain avail-*  
21 *able until September 30, 2008; of which \$118,000,000 shall*  
22 *be for procurement, to remain available until September 30,*  
23 *2009; and of which \$331,700,000 shall be for research, devel-*  
24 *opment, test and evaluation, to remain available until Sep-*  
25 *tember 30, 2008: Provided, That if the Secretary of Defense*

1 *determines that funds made available in this paragraph for*  
2 *the treatment of traumatic brain injury and post-traumatic*  
3 *stress disorder are in excess of the requirements of the De-*  
4 *partment of Defense, the Secretary may transfer amounts*  
5 *in excess of that requirement to the Department of Veterans*  
6 *Affairs to be available only for the same purpose.*

7       *GENERAL PROVISIONS—THIS CHAPTER*

8       *SEC. 3301. None of the funds appropriated or other-*  
9 *wise made available by this or any other Act shall be obli-*  
10 *gated or expended by the United States Government for a*  
11 *purpose as follows:*

12             *(1) To establish any military installation or base*  
13 *for the purpose of providing for the permanent sta-*  
14 *tioning of United States Armed Forces in Iraq.*

15             *(2) To exercise United States control over any*  
16 *oil resource of Iraq.*

17       *SEC. 3302. None of the funds made available in this*  
18 *Act may be used in contravention of the following laws en-*  
19 *acted or regulations promulgated to implement the United*  
20 *Nations Convention Against Torture and Other Cruel, In-*  
21 *human or Degrading Treatment or Punishment (done at*  
22 *New York on December 10, 1984)—*

23             *(1) section 2340A of title 18, United States Code;*

24             *(2) section 2242 of the Foreign Affairs Reform*  
25 *and Restructuring Act of 1998 (division G of Public*

1       *Law 105–277; 112 Stat. 2681–822; 8 U.S.C. 1231*  
2       *note) and regulations prescribed thereto, including*  
3       *regulations under part 208 of title 8, Code of Federal*  
4       *Regulations, and part 95 of title 22, Code of Federal*  
5       *Regulations; and*

6               *(3) sections 1002 and 1003 of the Department of*  
7       *Defense, Emergency Supplemental Appropriations to*  
8       *Address Hurricanes in the Gulf of Mexico, and Pan-*  
9       *demic Influenza Act, 2006 (Public Law 109–148).*

10       *SEC. 3303. (a) REPORT BY SECRETARY OF DE-*  
11       *FENSE.—Not later than 30 days after the date of the enact-*  
12       *ment of this Act, the Secretary of Defense shall submit to*  
13       *the congressional defense committees a report that contains*  
14       *individual transition readiness assessments by unit of Iraq*  
15       *and Afghan security forces. The Secretary of Defense shall*  
16       *submit to the congressional defense committees updates of*  
17       *the report required by this subsection every 90 days after*  
18       *the date of the submission of the report until October 1,*  
19       *2008. The report and updates of the report required by this*  
20       *subsection shall be submitted in classified form.*

21               *(b) REPORT BY OMB.—*

22               *(1) The Director of the Office of Management*  
23       *and Budget, in consultation with the Secretary of De-*  
24       *fense; the Commander, Multi-National Security Tran-*  
25       *sition Command—Iraq; and the Commander, Com-*

1 *bined Security Transition Command—Afghanistan,*  
2 *shall submit to the congressional defense committees*  
3 *not later than 120 days after the date of the enact-*  
4 *ment of this Act and every 90 days thereafter a report*  
5 *on the proposed use of all funds under each of the*  
6 *headings “Iraq Security Forces Fund” and “Afghani-*  
7 *stan Security Forces Fund” on a project-by-project*  
8 *basis, for which the obligation of funds is anticipated*  
9 *during the three-month period from such date, includ-*  
10 *ing estimates by the commanders referred to in this*  
11 *paragraph of the costs required to complete each such*  
12 *project.*

13 (2) *The report required by this subsection shall*  
14 *include the following:*

15 (A) *The use of all funds on a project-by-*  
16 *project basis for which funds appropriated under*  
17 *the headings referred to in paragraph (1) were*  
18 *obligated prior to the submission of the report,*  
19 *including estimates by the commanders referred*  
20 *to in paragraph (1) of the costs to complete each*  
21 *project.*

22 (B) *The use of all funds on a project-by-*  
23 *project basis for which funds were appropriated*  
24 *under the headings referred to in paragraph (1)*  
25 *in prior appropriations Acts, or for which funds*

1           *were made available by transfer, reprogram-*  
2           *ming, or allocation from other headings in prior*  
3           *appropriations Acts, including estimates by the*  
4           *commanders referred to in paragraph (1) of the*  
5           *costs to complete each project.*

6           (C) *An estimated total cost to train and*  
7           *equip the Iraq and Afghan security forces,*  
8           *disaggregated by major program and sub-ele-*  
9           *ments by force, arrayed by fiscal year.*

10          (c) *NOTIFICATION.—The Secretary of Defense shall no-*  
11          *tify the congressional defense committees of any proposed*  
12          *new projects or transfers of funds between sub-activity*  
13          *groups in excess of \$15,000,000 using funds appropriated*  
14          *by this Act under the headings “Iraq Security Forces*  
15          *Fund” and “Afghanistan Security Forces Fund”.*

16          SEC. 3304. *None of the funds appropriated or other-*  
17          *wise made available by this Act may be obligated or ex-*  
18          *pended to provide award fees to any defense contractor con-*  
19          *trary to the provisions of section 814 of the National De-*  
20          *fense Authorization Act, Fiscal Year 2007 (Public Law*  
21          *109–364).*

22          SEC. 3305. *Not more than 85 percent of the funds ap-*  
23          *propriated to the Department of Defense in this Act for op-*  
24          *eration and maintenance shall be available for obligation*  
25          *unless and until the Secretary of Defense submits to the con-*

1 *gressional defense committees a report detailing the use of*  
2 *Department of Defense funded service contracts conducted*  
3 *in the theater of operations in support of United States*  
4 *military and reconstruction activities in Iraq and Afghani-*  
5 *stan: Provided, That the report shall provide detailed infor-*  
6 *mation specifying the number of contracts and contract*  
7 *costs used to provide services in fiscal year 2006, with sub-*  
8 *allocations by major service categories: Provided further,*  
9 *That the report also shall include estimates of the number*  
10 *of contracts to be executed in fiscal year 2007: Provided*  
11 *further, That the report shall include the number of con-*  
12 *tractor personnel in Iraq and Afghanistan funded by the*  
13 *Department of Defense: Provided further, That the report*  
14 *shall be submitted to the congressional defense committees*  
15 *not later than August 1, 2007.*

16 *SEC. 3306. Section 1477 of title 10, United States*  
17 *Code, is amended—*

18 *(1) in subsection (a), by striking “A death gra-*  
19 *tuity” and inserting “Subject to subsection (d), a*  
20 *death gratuity”;*

21 *(2) by redesignating subsection (d) as subsection*  
22 *(e) and, in such subsection, by striking “If an eligible*  
23 *survivor dies before he” and inserting “If a person en-*  
24 *titled to all or a portion of a death gratuity under*  
25 *subsection (a) or (d) dies before the person”; and*

1           (3) by inserting after subsection (c) the following  
2           new subsection (d):

3           “(d) During the period beginning on the date of the  
4           enactment of this subsection and ending on September 30,  
5           2007, a person covered by section 1475 or 1476 of this title  
6           may designate another person to receive not more than 50  
7           percent of the amount payable under section 1478 of this  
8           title. The designation shall indicate the percentage of the  
9           amount, to be specified only in 10 percent increments up  
10          to the maximum of 50 percent, that the designated person  
11          may receive. The balance of the amount of the death gra-  
12          tuity shall be paid to or for the living survivors of the per-  
13          son concerned in accordance with paragraphs (1) through  
14          (5) of subsection (a).”.

15          SEC. 3307. (a) INSPECTION OF MILITARY MEDICAL  
16          TREATMENT FACILITIES, MILITARY QUARTERS HOUSING  
17          MEDICAL HOLD PERSONNEL, AND MILITARY QUARTERS  
18          HOUSING MEDICAL HOLDOVER PERSONNEL.—

19                 (1) IN GENERAL.—Not later than 180 days after  
20                 the date of the enactment of this Act, and annually  
21                 thereafter, the Secretary of Defense shall inspect each  
22                 facility of the Department of Defense as follows:

23                         (A) Each military medical treatment facil-  
24                         ity.

1                   (B) *Each military quarters housing medical*  
2                   *hold personnel.*

3                   (C) *Each military quarters housing medical*  
4                   *holdover personnel.*

5                   (2) *PURPOSE.—The purpose of an inspection*  
6                   *under this subsection is to ensure that the facility or*  
7                   *quarters concerned meets acceptable standards for the*  
8                   *maintenance and operation of medical facilities,*  
9                   *quarters housing medical hold personnel, or quarters*  
10                   *housing medical holdover personnel, as applicable.*

11                   (b) *ACCEPTABLE STANDARDS.—For purposes of this*  
12                   *section, acceptable standards for the operation and mainte-*  
13                   *nance of military medical treatment facilities, military*  
14                   *quarters housing medical hold personnel, or military quar-*  
15                   *ters housing medical holdover personnel are each of the fol-*  
16                   *lowing:*

17                   (1) *Generally accepted standards for the accredi-*  
18                   *tation of medical facilities, or for facilities used to*  
19                   *quarter individuals with medical conditions that may*  
20                   *require medical supervision, as applicable, in the*  
21                   *United States.*

22                   (2) *Where appropriate, standards under the*  
23                   *Americans with Disabilities Act of 1990 (42 U.S.C.*  
24                   *12101 et seq.).*

1           (c) *ADDITIONAL INSPECTIONS ON IDENTIFIED DEFICIENCIES.*—  
2

3           (1) *IN GENERAL.*—*In the event a deficiency is*  
4 *identified pursuant to subsection (a) at a facility or*  
5 *quarters described in paragraph (1) of that sub-*  
6 *section—*

7                   (A) *the commander of such facility or quar-*  
8 *ters, as applicable, shall submit to the Secretary*  
9 *a detailed plan to correct the deficiency; and*

10                   (B) *the Secretary shall reinspect such facil-*  
11 *ity or quarters, as applicable, not less often than*  
12 *once every 180 days until the deficiency is cor-*  
13 *rected.*

14           (2) *CONSTRUCTION WITH OTHER INSPECTIONS.*—  
15 *An inspection of a facility or quarters under this sub-*  
16 *section is in addition to any inspection of such facil-*  
17 *ity or quarters under subsection (a).*

18           (d) *REPORTS ON INSPECTIONS.*—*A complete copy of*  
19 *the report on each inspection conducted under subsections*  
20 *(a) and (c) shall be submitted in unclassified form to the*  
21 *applicable military medical command and to the congress-*  
22 *sional defense committees.*

23           (e) *REPORT ON STANDARDS.*—*In the event no stand-*  
24 *ards for the maintenance and operation of military medical*  
25 *treatment facilities, military quarters housing medical hold*

1 *personnel, or military quarters housing medical holdover*  
2 *personnel exist as of the date of the enactment of this Act,*  
3 *or such standards as do exist do not meet acceptable stand-*  
4 *ards for the maintenance and operation of such facilities*  
5 *or quarters, as the case may be, the Secretary shall, not*  
6 *later than 30 days after that date, submit to the congress-*  
7 *sional defense committees a report setting forth the plan of*  
8 *the Secretary to ensure—*

9           *(1) the adoption by the Department of standards*  
10 *for the maintenance and operation of military med-*  
11 *ical facilities, military quarters housing medical hold*  
12 *personnel, or military quarters housing medical hold-*  
13 *over personnel, as applicable, that meet—*

14           *(A) acceptable standards for the mainte-*  
15 *nance and operation of such facilities or quar-*  
16 *ters, as the case may be; and*

17           *(B) where appropriate, standards under the*  
18 *Americans with Disabilities Act of 1990; and*

19           *(2) the comprehensive implementation of the*  
20 *standards adopted under paragraph (1) at the earliest*  
21 *date practicable.*

22       *SEC. 3308. (a) AWARD OF MEDAL OF HONOR TO*  
23 *WOODROW W. KEEBLE FOR VALOR DURING KOREAN*  
24 *WAR.—Notwithstanding any applicable time limitation*  
25 *under section 3744 of title 10, United States Code, or any*

1 *other time limitation with respect to the award of certain*  
2 *medals to individuals who served in the Armed Forces, the*  
3 *President may award to Woodrow W. Keeble the Medal of*  
4 *Honor under section 3741 of that title for the acts of valor*  
5 *described in subsection (b).*

6 (b) *ACTS OF VALOR.—The acts of valor referred to in*  
7 *subsection (a) are the acts of Woodrow W. Keeble, then-act-*  
8 *ing platoon leader, carried out on October 20, 1951, during*  
9 *the Korean War.*

10 (TRANSFER OF FUNDS)

11 *SEC. 3309. Of the amount appropriated under the*  
12 *heading “Other Procurement, Army”, in title III of division*  
13 *A of Public Law 109–148, \$6,250,000 shall be transferred*  
14 *to “Military Construction, Army”.*

15 *SEC. 3310. The Secretary of Defense, notwithstanding*  
16 *any other provision of law, acting through the Office of Eco-*  
17 *nomics Adjustment or the Office of Dependents Education*  
18 *of the Department of Defense, shall use not less than*  
19 *\$10,000,000 of funds made available in this Act under the*  
20 *heading “Operation and Maintenance, Defense-Wide” to*  
21 *make grants and supplement other Federal funds to provide*  
22 *special assistance to local education agencies.*

23 *SEC. 3311. Congress finds that United States military*  
24 *units should not enter into combat unless they are fully ca-*  
25 *pable of performing their assigned mission. Congress further*  
26 *finds that this is the policy of the Department of Defense.*

1 *The Secretary of Defense shall notify Congress of any*  
 2 *changes to this policy.*

3 **CHAPTER 4**

4 *DEPARTMENT OF ENERGY*

5 *ATOMIC ENERGY DEFENSE ACTIVITIES*

6 *NATIONAL NUCLEAR SECURITY ADMINISTRATION*

7 *DEFENSE NUCLEAR NONPROLIFERATION*

8 *For an additional amount for “Defense Nuclear Non-*  
 9 *proliferation”, \$72,000,000 is provided for the Inter-*  
 10 *national Nuclear Materials Protection and Cooperation*  
 11 *Program, to remain available until expended.*

12 *GENERAL PROVISION—THIS CHAPTER*

13 *(TRANSFER OF FUNDS)*

14 *SEC. 3401. The Administrator of the National Nuclear*  
 15 *Security Administration is authorized to transfer up to*  
 16 *\$1,000,000 from Defense Nuclear Nonproliferation to the*  
 17 *Office of the Administrator during fiscal year 2007 sup-*  
 18 *porting nuclear nonproliferation activities.*

19 **CHAPTER 5**

20 *DEPARTMENT OF HOMELAND SECURITY*

21 *ANALYSIS AND OPERATIONS*

22 *For an additional amount for “Analysis and Oper-*  
 23 *ations”, \$8,000,000, to remain available until September*  
 24 *30, 2008, to be used for support of the State and Local Fu-*  
 25 *sion Center program: Provided, That starting July 1, 2007,*

1 *the Secretary of Homeland Security shall submit quarterly*  
2 *reports to the Committees on Appropriations of the Senate*  
3 *and the House of Representatives detailing the information*  
4 *required in House Report 110–107.*

5 *UNITED STATES CUSTOMS AND BORDER PROTECTION*

6 *SALARIES AND EXPENSES*

7 *(INCLUDING TRANSFER OF FUNDS)*

8 *For an additional amount for “Salaries and Ex-*  
9 *penses”, \$75,000,000, to remain available until September*  
10 *30, 2008, to support hiring not less than 400 additional*  
11 *United States Customs and Border Protection Officers, as*  
12 *well as additional intelligence analysts, trade specialists,*  
13 *and support staff to target and screen U.S.-bound cargo on*  
14 *the Northern Border, at overseas locations, and at the Na-*  
15 *tional Targeting Center; to support hiring additional staff-*  
16 *ing required for Northern Border Air and Marine oper-*  
17 *ations; to implement Security and Accountability For*  
18 *Every Port Act of 2006 (Public Law 109–347) require-*  
19 *ments; to advance the goals of the Secure Freight Initiative*  
20 *to improve significantly the ability of United States Cus-*  
21 *toms and Border Protection to target and analyze U.S.-*  
22 *bound cargo containers; to expand overseas screening and*  
23 *physical inspection capacity for U.S.-bound cargo; to pro-*  
24 *cure and integrate non-intrusive inspection equipment into*  
25 *inspection and radiation detection operations; and to im-*  
26 *prove supply chain security, to include enhanced analytic*

1 *and targeting systems using data collected via commercial*  
2 *and government technologies and databases: Provided, That*  
3 *up to \$3,000,000 shall be transferred to Federal Law En-*  
4 *forcement Training Center “Salaries and Expenses”, for*  
5 *basic training costs associated with the additional per-*  
6 *sonnel funded under this heading: Provided further, That*  
7 *the Secretary shall submit an expenditure plan for the use*  
8 *of these funds to the Committees on Appropriations of the*  
9 *Senate and the House of Representatives no later than 30*  
10 *days after enactment of this Act: Provided further, That the*  
11 *Secretary shall notify the Committees on Appropriations of*  
12 *the Senate and the House of Representatives immediately*  
13 *if United States Customs and Border Protection does not*  
14 *expect to achieve its plan of having at least 1,158 Border*  
15 *Patrol agents permanently deployed to the Northern Border*  
16 *by the end of fiscal year 2007, and explain in detail the*  
17 *reasons for any shortfall.*

18 *AIR AND MARINE INTERDICTION, OPERATIONS,*

19 *MAINTENANCE, AND PROCUREMENT*

20 *For an additional amount for “Air and Marine Inter-*  
21 *dition, Operations, Maintenance, and Procurement”, for*  
22 *air and marine operations on the Northern Border, includ-*  
23 *ing the final Northern Border air wing, \$75,000,000, to re-*  
24 *main available until September 30, 2008, to accelerate*  
25 *planned deployment of Northern Border Air and Marine*  
26 *operations, including establishment of the final Northern*

1 *Border airwing, procurement of assets such as fixed wing*  
2 *aircraft, helicopters, unmanned aerial systems, marine and*  
3 *riverine vessels, and other equipment, relocation of aircraft,*  
4 *site acquisition, and the design and building of facilities:*  
5 *Provided, That the Secretary shall submit an expenditure*  
6 *plan for the use of these funds to the Committees on Appro-*  
7 *priations of the Senate and the House of Representatives*  
8 *no later than 30 days after enactment of this Act.*

9 *UNITED STATES IMMIGRATION AND CUSTOMS*

10 *ENFORCEMENT*

11 *SALARIES AND EXPENSES*

12 *For an additional amount for “Salaries and Ex-*  
13 *penses”, \$6,000,000, to remain available until September*  
14 *30, 2008; of which \$5,000,000 shall be for the creation of*  
15 *a security advisory opinion unit within the Visa Security*  
16 *Program; and of which \$1,000,000 shall be for the Human*  
17 *Smuggling and Trafficking Center.*

18 *TRANSPORTATION SECURITY ADMINISTRATION*

19 *AVIATION SECURITY*

20 *For an additional amount for “Aviation Security”,*  
21 *\$390,000,000; of which \$285,000,000 shall be for procure-*  
22 *ment and installation of checked baggage explosives detec-*  
23 *tion systems, to remain available until expended; of which*  
24 *\$25,000,000 shall be for checkpoint explosives detection*  
25 *equipment and pilot screening technologies, to remain*

1 *available until expended; and of which \$80,000,000 shall*  
2 *be for air cargo security, to remain available until Sep-*  
3 *tember 30, 2009: Provided, That of the air cargo funding*  
4 *made available under this heading, the Transportation Se-*  
5 *curity Administration shall hire no fewer than 150 addi-*  
6 *tional air cargo inspectors to establish a more robust en-*  
7 *forcement and compliance program; complete air cargo vul-*  
8 *nerability assessments for all Category X airports; expand*  
9 *the National Explosives Detection Canine Program by no*  
10 *fewer than 170 additional canine teams, including the use*  
11 *of agency led teams; pursue canine screening methods uti-*  
12 *lized internationally that focus on air samples; and procure*  
13 *and install explosive detection systems, explosive trace ma-*  
14 *chines, and other technologies to screen air cargo: Provided*  
15 *further, That no later than 90 days after the date of enact-*  
16 *ment of this Act, the Secretary shall provide the Committees*  
17 *on Appropriations of the Senate and the House of Rep-*  
18 *resentatives an expenditure plan detailing how the Trans-*  
19 *portation Security Administration will utilize funding pro-*  
20 *vided under this heading.*

21 *FEDERAL AIR MARSHALS*

22 *For an additional amount for “Federal Air Marshals”,*  
23 *\$5,000,000, to remain available until September 30, 2008:*  
24 *Provided, That no later than 30 days after enactment of*  
25 *this Act, the Secretary shall provide the Committees on Ap-*

1 *appropriations of the Senate and the House of Representatives*  
2 *a report on how these additional funds will be allocated.*

3 *NATIONAL PROTECTION AND PROGRAMS*

4 *INFRASTRUCTURE PROTECTION AND INFORMATION*

5 *SECURITY*

6 *For an additional amount for “Infrastructure Protec-*  
7 *tion and Information Security”, \$24,000,000, to remain*  
8 *available until September 30, 2008; of which \$12,000,000*  
9 *shall be for development of State and local interoperability*  
10 *plans as discussed in House Report 110–107; and of which*  
11 *\$12,000,000 shall be for implementation of chemical facility*  
12 *security regulations: Provided, That within 30 days of the*  
13 *date of enactment of this Act the Secretary of Homeland*  
14 *Security shall submit to the Committees on Appropriations*  
15 *of the Senate and the House of Representatives detailed ex-*  
16 *penditure plans for execution of these funds: Provided fur-*  
17 *ther, That within 30 days of the date of enactment of this*  
18 *Act, the Secretary of Homeland Security shall submit to*  
19 *the Committees on Appropriations of the Senate and the*  
20 *House of Representatives a report on the computer forensics*  
21 *training center detailing the information required in House*  
22 *Report 110–107.*

23 *OFFICE OF HEALTH AFFAIRS*

24 *For expenses for the “Office of Health Affairs”,*  
25 *\$8,000,000, to remain available until September 30, 2008:*

1 *Provided, That of the amount made available under this*  
2 *heading, \$5,500,000 is for nuclear event public health as-*  
3 *essment and planning: Provided further, That the Office*  
4 *of Health Affairs shall conduct a nuclear event public health*  
5 *assessment as described in House Report 110–107: Provided*  
6 *further, That none of the funds made available under this*  
7 *heading may be obligated until the Committees on Appro-*  
8 *priations of the Senate and the House of Representatives*  
9 *receive a plan for expenditure.*

10 *FEDERAL EMERGENCY MANAGEMENT AGENCY*

11 *MANAGEMENT AND ADMINISTRATION*

12 *For expenses for management and administration of*  
13 *the Federal Emergency Management Agency (“FEMA”),*  
14 *\$14,000,000, to remain available until September 30, 2008:*  
15 *Provided, That of the amount made available under this*  
16 *heading, \$6,000,000 shall be for financial and information*  
17 *systems, \$2,500,000 shall be for interstate mutual aid agree-*  
18 *ments, \$2,500,000 shall be for FEMA Regional Office com-*  
19 *munication equipment, \$2,500,000 shall be for FEMA*  
20 *strike teams, and \$500,000 shall be for the Law Enforce-*  
21 *ment Liaison Office, the Disability Coordinator and the*  
22 *National Advisory Council: Provided further, That none of*  
23 *such funds made available under this heading may be obli-*  
24 *gated until the Committees on Appropriations of the Senate*  
25 *and the House of Representatives receive and approve a*

1 *plan for expenditure: Provided further, That unobligated*  
2 *amounts in the “Administrative and Regional Operations”*  
3 *and “Readiness, Mitigation, Response, and Recovery” ac-*  
4 *counts shall be transferred to “Management and Adminis-*  
5 *tration” and may be used for any purpose authorized for*  
6 *such amounts and subject to limitation on the use of such*  
7 *amounts.*

8 *STATE AND LOCAL PROGRAMS*

9 *For an additional amount for “State and Local Pro-*  
10 *grams”, \$247,000,000; of which \$110,000,000 shall be for*  
11 *port security grants pursuant to section 70107(l) of title*  
12 *46, United States Code to be awarded by September 30,*  
13 *2007, to tier 1, 2, 3, and 4 ports; of which \$100,000,000*  
14 *shall be for intercity rail passenger transportation, freight*  
15 *rail, and transit security grants to be awarded by Sep-*  
16 *tember 30, 2007; of which \$35,000,000 shall be for regional*  
17 *grants and regional technical assistance to tier one Urban*  
18 *Area Security Initiative cities and other participating gov-*  
19 *ernments for the purpose of developing all-hazard regional*  
20 *catastrophic event plans and preparedness, as described in*  
21 *House Report 110–107; and of which \$2,000,000 shall be*  
22 *for technical assistance for operation and maintenance*  
23 *training on detection and response equipment that must be*  
24 *competitively awarded: Provided, That none of the funds*  
25 *made available under this heading may be obligated for*  
26 *such regional grants and regional technical assistance until*

1 *the Committees on Appropriations of the Senate and the*  
2 *House of Representatives receive and approve a plan for*  
3 *expenditure: Provided further, That the Federal Emergency*  
4 *Management Agency shall provide the regional grants and*  
5 *regional technical assistance expenditure plan to the Com-*  
6 *mittees on Appropriations of the Senate and the House of*  
7 *Representatives on or before August 1, 2007: Provided fur-*  
8 *ther, That funds for such regional grants and regional tech-*  
9 *nical assistance shall remain available until September 30,*  
10 *2008.*

11 *EMERGENCY MANAGEMENT PERFORMANCE GRANTS*

12 *For an additional amount for “Emergency Manage-*  
13 *ment Performance Grants”, \$50,000,000.*

14 *UNITED STATES CITIZENSHIP AND IMMIGRATION*

15 *SERVICES*

16 *For an additional amount for expenses of “United*  
17 *States Citizenship and Immigration Services” to address*  
18 *backlogs of security checks associated with pending applica-*  
19 *tions and petitions, \$8,000,000, to remain available until*  
20 *September 30, 2008: Provided, That none of the funds made*  
21 *available under this heading shall be available for obliga-*  
22 *tion until the Secretary of Homeland Security, in consulta-*  
23 *tion with the United States Attorney General, submits to*  
24 *the Committees on Appropriations of the Senate and the*  
25 *House of Representatives a plan to eliminate the backlog*  
26 *of security checks that establishes information sharing pro-*

1 *ocols to ensure United States Citizenship and Immigration*  
 2 *Services has the information it needs to carry out its mis-*  
 3 *sion.*

4 *SCIENCE AND TECHNOLOGY*

5 *RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS*

6 *For an additional amount for “Research, Develop-*  
 7 *ment, Acquisition, and Operations” for air cargo security*  
 8 *research, \$5,000,000, to remain available until expended.*

9 *DOMESTIC NUCLEAR DETECTION OFFICE*

10 *RESEARCH, DEVELOPMENT, AND OPERATIONS*

11 *For an additional amount for “Research, Develop-*  
 12 *ment, and Operations” for non-container, rail, aviation*  
 13 *and intermodal radiation detection activities, \$35,000,000,*  
 14 *to remain available until expended: Provided, That*  
 15 *\$5,000,000 is to enhance detection links between seaports*  
 16 *and railroads as authorized in section 121(i) of the Security*  
 17 *and Accountability For Every Port Act of 2006 (Public*  
 18 *Law 109–347); \$8,000,000 is to accelerate development and*  
 19 *deployment of detection systems at international rail border*  
 20 *crossings; and \$22,000,000 is for development and deploy-*  
 21 *ment of a variety of screening technologies at aviation fa-*  
 22 *cilities.*

23 *SYSTEMS ACQUISITION*

24 *For an additional amount for “Systems Acquisition”,*  
 25 *\$100,000,000, to remain available until expended: Pro-*  
 26 *vided, That none of the funds appropriated under this head-*

1 *ing shall be obligated for full scale procurement of Advanced*  
 2 *Spectroscopic Portal Monitors until the Secretary of Home-*  
 3 *land Security has certified through a report to the Commit-*  
 4 *tees on Appropriations of the Senate and the House of Rep-*  
 5 *resentatives that a significant increase in operational effec-*  
 6 *tiveness will be achieved.*

7 **GENERAL PROVISIONS—THIS CHAPTER**

8 *SEC. 3501. None of the funds provided in this Act, or*  
 9 *Public Law 109–295, shall be available to carry out section*  
 10 *872 of Public Law 107–296.*

11 *SEC. 3502. The Secretary of Homeland Security shall*  
 12 *require that all contracts of the Department of Homeland*  
 13 *Security that provide award fees link such fees to successful*  
 14 *acquisition outcomes (which outcomes shall be specified in*  
 15 *terms of cost, schedule, and performance).*

16 **CHAPTER 6**  
 17 **LEGISLATIVE BRANCH**  
 18 **HOUSE OF REPRESENTATIVES**

19 **SALARIES AND EXPENSES**

20 *For an additional amount for “Salaries and Ex-*  
 21 *penses”, \$6,437,000, as follows:*

22 **ALLOWANCES AND EXPENSES**

23 *For an additional amount for allowances and expenses*  
 24 *as authorized by House resolution or law, \$6,437,000 for*

1 *business continuity and disaster recovery, to remain avail-*  
2 *able until expended.*

3 **GOVERNMENT ACCOUNTABILITY OFFICE**

4 **SALARIES AND EXPENSES**

5 *For an additional amount for “Salaries and Ex-*  
6 *penses” of the Government Accountability Office, \$374,000,*  
7 *to remain available until September 30, 2008.*

8 **CHAPTER 7**

9 **DEPARTMENT OF DEFENSE**

10 **DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005**

11 *For deposit into the Department of Defense Base Clo-*  
12 *sure Account 2005, established by section 2906A(a)(1) of the*  
13 *Defense Base Closure and Realignment Act of 1990 (10*  
14 *U.S.C. 2687 note), \$3,136,802,000, to remain available*  
15 *until expended: Provided, That within 30 days of the enact-*  
16 *ment of this Act, the Secretary of Defense shall submit a*  
17 *detailed spending plan to the Committees on Appropria-*  
18 *tions of the House of Representatives and the Senate.*

19 **GENERAL PROVISIONS—THIS CHAPTER**

20 *SEC. 3701. Notwithstanding any other provision of*  
21 *law, none of the funds in this or any other Act may be*  
22 *used to close Walter Reed Army Medical Center until equiv-*  
23 *alent medical facilities at the Walter Reed National Mili-*  
24 *tary Medical Center at Naval Medical Center, Bethesda,*  
25 *Maryland, and/or the Fort Belvoir, Virginia, Community*

1 *Hospital have been constructed and equipped: Provided,*  
2 *That to ensure that the quality of care provided by the Mili-*  
3 *tary Health System is not diminished during this transi-*  
4 *tion, the Walter Reed Army Medical Center shall be ade-*  
5 *quately funded, to include necessary renovation and main-*  
6 *tenance of existing facilities, to maintain the maximum*  
7 *level of inpatient and outpatient services.*

8       *SEC. 3702. Notwithstanding any other provision of*  
9 *law, none of the funds in this or any other Act shall be*  
10 *used to reorganize or relocate the functions of the Armed*  
11 *Forces Institute of Pathology (AFIP) until the Secretary*  
12 *of Defense has submitted, not later than December 31, 2007,*  
13 *a detailed plan and timetable for the proposed reorganiza-*  
14 *tion and relocation to the Committees on Appropriations*  
15 *and Armed Services of the Senate and House of Representa-*  
16 *tives. The plan shall take into consideration the rec-*  
17 *ommendations of a study being prepared by the Govern-*  
18 *ment Accountability Office (GAO), provided that such study*  
19 *is available not later than 45 days before the date specified*  
20 *in this section, on the impact of dispersing selected func-*  
21 *tions of AFIP among several locations, and the possibility*  
22 *of consolidating those functions at one location. The plan*  
23 *shall include an analysis of the options for the location and*  
24 *operation of the Program Management Office for second*  
25 *opinion consults that are consistent with the recommenda-*

1 *tions of the Base Realignment and Closure Commission, to-*  
 2 *gether with the rationale for the option selected by the Sec-*  
 3 *retary.*

4       *SEC. 3703. The Secretary of the Navy shall, notwith-*  
 5 *standing any other provision of law, transfer to the Sec-*  
 6 *retary of the Air Force, at no cost, all lands, easements,*  
 7 *Air Installation Compatible Use Zones, and facilities at*  
 8 *NASJRB Willow Grove designated for operation as a Joint*  
 9 *Interagency Installation for use by the Pennsylvania Na-*  
 10 *tional Guard and other Department of Defense components,*  
 11 *government agencies, and associated users to perform na-*  
 12 *tional defense, homeland security, and emergency prepared-*  
 13 *ness missions.*

14                                   **CHAPTER 8**

15       *DEPARTMENT OF STATE AND RELATED AGENCY*

16                                   *DEPARTMENT OF STATE*

17                                   *ADMINISTRATION OF FOREIGN AFFAIRS*

18                                   *DIPLOMATIC AND CONSULAR PROGRAMS*

19                                   *(INCLUDING TRANSFER OF FUNDS)*

20       *For an additional amount for “Diplomatic and Con-*  
 21 *sular Programs”, \$34,103,000, to remain available until*  
 22 *September 30, 2008, of which \$31,845,000 for World Wide*  
 23 *Security Upgrades is available until expended: Provided,*  
 24 *That of the amount available under this heading, \$258,000*  
 25 *shall be transferred to, and merged with, funds available*  
 26 *in fiscal year 2007 for expenses for the United States Com-*

1 *mission on International Religious Freedom: Provided fur-*  
2 *ther, That within 15 days of enactment of this Act, the Of-*  
3 *fice of Management and Budget shall apportion*  
4 *\$15,000,000 from amounts appropriated or otherwise made*  
5 *available by chapter 8 of title II of division B of Public*  
6 *Law 109–148 under the heading “Emergencies in the Dip-*  
7 *lomatic and Consular Service” to reimburse expenditures*  
8 *from that account in facilitating the evacuation of persons*  
9 *from Lebanon between July 16, 2006, and the date of enact-*  
10 *ment of this Act.*

11 *OFFICE OF THE INSPECTOR GENERAL*

12 *For an additional amount for “Office of Inspector*  
13 *General”, \$1,500,000, to remain available until December*  
14 *31, 2008.*

15 *INTERNATIONAL ORGANIZATIONS*

16 *CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS*

17 *For an additional amount for “Contributions to Inter-*  
18 *national Organizations”, \$50,000,000, to remain available*  
19 *until September 30, 2008.*



1 *DEPARTMENT OF STATE*2 *DEMOCRACY FUND*

3 *For an additional amount for “Democracy Fund”,*  
4 *\$5,000,000, to remain available until September 30, 2008.*

5 *INTERNATIONAL NARCOTICS CONTROL AND LAW*6 *ENFORCEMENT*7 *(INCLUDING RESCISSION OF FUNDS)*

8 *For an additional amount for “International Nar-*  
9 *cotics Control and Law Enforcement”, \$42,000,000, to re-*  
10 *main available until September 30, 2008.*

11 *Of the amounts made available for procurement of a*  
12 *maritime patrol aircraft for the Colombian Navy under this*  
13 *heading in Public Law 109–234, \$13,000,000 are rescinded.*

14 *MIGRATION AND REFUGEE ASSISTANCE*

15 *For an additional amount for “Migration and Refugee*  
16 *Assistance”, \$59,000,000, to remain available until Sep-*  
17 *tember 30, 2008.*

18 *UNITED STATES EMERGENCY REFUGEE AND MIGRATION*19 *ASSISTANCE FUND*

20 *For an additional amount for “United States Emer-*  
21 *gency Refugee and Migration Assistance Fund”,*  
22 *\$25,000,000, to remain available until expended.*



1 *Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2397)*  
2 *and section 2 of the Iraq Reconstruction Accountability Act*  
3 *of 2006 (Public Law 109–440), is amended by inserting “or*  
4 *fiscal year 2007” after “fiscal year 2006”.*

5 *LEBANON*

6 *SEC. 3802. (a) LIMITATION ON ECONOMIC SUPPORT*  
7 *FUND ASSISTANCE FOR LEBANON.—None of the funds made*  
8 *available in this Act under the heading “Economic Support*  
9 *Fund” for cash transfer assistance for the Government of*  
10 *Lebanon may be made available for obligation until the*  
11 *Secretary of State reports to the Committees on Appropria-*  
12 *tions on Lebanon’s economic reform plan and on the spe-*  
13 *cific conditions and verifiable benchmarks that have been*  
14 *agreed upon by the United States and the Government of*  
15 *Lebanon pursuant to the Memorandum of Understanding*  
16 *on cash transfer assistance for Lebanon.*

17 *(b) LIMITATION ON FOREIGN MILITARY FINANCING*  
18 *PROGRAM AND INTERNATIONAL NARCOTICS CONTROL AND*  
19 *LAW ENFORCEMENT ASSISTANCE FOR LEBANON.—None of*  
20 *the funds made available in this Act under the heading*  
21 *“Foreign Military Financing Program” or “International*  
22 *Narcotics Control and Law Enforcement” for military or*  
23 *police assistance to Lebanon may be made available for ob-*  
24 *ligation until the Secretary of State submits to the Commit-*  
25 *tees on Appropriations a report on procedures established*  
26 *to determine eligibility of members and units of the armed*

1 *forces and police forces of Lebanon to participate in United*  
2 *States training and assistance programs and on the end*  
3 *use monitoring of all equipment provided under such pro-*  
4 *grams to the Lebanese armed forces and police forces.*

5       *(c) CERTIFICATION REQUIRED.—Prior to the initial*  
6 *obligation of funds made available in this Act for assistance*  
7 *for Lebanon under the headings “Foreign Military Financ-*  
8 *ing Program” and “Nonproliferation, Anti-Terrorism,*  
9 *Demining and Related Programs”, the Secretary of State*  
10 *shall certify to the Committees on Appropriations that all*  
11 *practicable efforts have been made to ensure that such as-*  
12 *sistance is not provided to or through any individual, or*  
13 *private or government entity, that advocates, plans, spon-*  
14 *sors, engages in, or has engaged in, terrorist activity.*

15       *(d) REPORT REQUIRED.—Not later than 45 days after*  
16 *the date of the enactment of this Act, the Secretary of State*  
17 *shall submit to the Committees on Appropriations a report*  
18 *on the Government of Lebanon’s actions to implement sec-*  
19 *tion 14 of United Nations Security Council Resolution 1701*  
20 *(August 11, 2006).*

21       *(e) SPECIAL AUTHORITY.—This section shall be effec-*  
22 *tive notwithstanding section 534(a) of Public Law 109–102,*  
23 *which is made applicable to funds appropriated for fiscal*  
24 *year 2007 by the Continuing Appropriations Resolution,*

1 2007 (division B of Public Law 109–289, as amended by  
2 Public Law 110–5).

3 *DEBT RESTRUCTURING*

4 *SEC. 3803. Amounts appropriated for fiscal year 2007*  
5 *for “Bilateral Economic Assistance—Department of the*  
6 *Treasury—Debt Restructuring” may be used to assist Libe-*  
7 *ria in retiring its debt arrearages to the International Mon-*  
8 *etary Fund, the International Bank for Reconstruction and*  
9 *Development, and the African Development Bank.*

10 *GOVERNMENT ACCOUNTABILITY OFFICE*

11 *SEC. 3804. To facilitate effective oversight of programs*  
12 *and activities in Iraq by the Government Accountability*  
13 *Office (GAO), the Department of State shall provide GAO*  
14 *staff members the country clearances, life support, and*  
15 *logistical and security support necessary for GAO personnel*  
16 *to establish a presence in Iraq for periods of not less than*  
17 *45 days.*

18 *HUMAN RIGHTS AND DEMOCRACY FUND*

19 *SEC. 3805. The Assistant Secretary of State for De-*  
20 *mocracy, Human Rights, and Labor shall be responsible for*  
21 *all policy, funding, and programming decisions regarding*  
22 *funds made available under this Act and prior Acts making*  
23 *appropriations for foreign operations, export financing and*  
24 *related programs for the Human Rights and Democracy*  
25 *Fund of the Bureau of Democracy, Human Rights, and*  
26 *Labor.*



1        *ceptional circumstances justify an extension of up to*  
2        *1 additional year.*

3            (3) *Not more than 10 individuals may be em-*  
4        *ployed at any time as personal services contractors*  
5        *under the program.*

6        (c) *TERMINATION OF AUTHORITY.—The authority to*  
7        *award personal services contracts under this section shall*  
8        *terminate on December 31, 2007. A contract entered into*  
9        *prior to the termination date under this paragraph may*  
10       *remain in effect until not later than December 31, 2009.*

11       (d) *OTHER AUTHORITIES NOT AFFECTED.—The au-*  
12       *thority under this section is in addition to any other au-*  
13       *thority of the Inspector General to hire personal services*  
14       *contractors.*

15            *FUNDING TABLES, REPORTS AND DIRECTIVES*

16        *SEC. 3807. (a) Funds provided in this Act for the fol-*  
17        *lowing accounts shall be made available for countries, pro-*  
18        *grams and activities in the amounts contained in the re-*  
19        *spective tables and should be expended consistent with the*  
20        *reporting requirements and directives included in the joint*  
21        *explanatory statement accompanying the conference report*  
22        *on H.R. 1591 of the 110th Congress (H. Rept. 110–107):*

23            *“Diplomatic and Consular Programs”.*

24            *“Office of the Inspector General”.*

25            *“Educational and Cultural Exchange Pro-*  
26        *grams”.*

1           *“Contributions to International Organizations”.*

2           *“Contributions for International Peacekeeping*  
3 *Activities”.*

4           *“Child Survival and Health Programs Fund”.*

5           *“International Disaster and Famine Assistance”.*

6           *“Operating Expenses of the United States Agen-*  
7 *cy for International Development”.*

8           *“Operating Expenses of the United States Agen-*  
9 *cy for International Development Office of Inspector*  
10 *General”.*

11          *“Economic Support Fund”.*

12          *“Assistance for Eastern Europe and the Baltic*  
13 *States”.*

14          *“Democracy Fund”.*

15          *“International Narcotics Control and Law En-*  
16 *forcement”.*

17          *“Migration and Refugee Assistance”.*

18          *“Nonproliferation, Anti-Terrorism, Demining*  
19 *and Related Programs”.*

20          *“Foreign Military Financing Program”.*

21          *“Peacekeeping Operations”.*

22          *(b) Any proposed increases or decreases to the amounts*  
23 *contained in the tables in the joint explanatory statement*  
24 *shall be subject to the regular notification procedures of the*

1 *Committees on Appropriations and section 634A of the For-*  
2 *ign Assistance Act of 1961.*

3 *SPENDING PLAN AND NOTIFICATION PROCEDURES*

4 *SEC. 3808. Not later than 45 days after enactment of*  
5 *this Act the Secretary of State shall submit to the Commit-*  
6 *tees on Appropriations a report detailing planned expendi-*  
7 *tures for funds appropriated under the headings in this*  
8 *chapter and under the headings in chapter 6 of title I, ex-*  
9 *cept for funds appropriated under the heading “Inter-*  
10 *national Disaster and Famine Assistance”: Provided, That*  
11 *funds appropriated under the headings in this chapter and*  
12 *in chapter 6 of title I, except for funds appropriated under*  
13 *the heading named in this section, shall be subject to the*  
14 *regular notification procedures of the Committees on Appro-*  
15 *priations.*

16 *CONDITIONS ON ASSISTANCE FOR PAKISTAN*

17 *SEC. 3809. None of the funds made available for assist-*  
18 *ance for the central Government of Pakistan under the*  
19 *heading “Economic Support Fund” in this Act may be*  
20 *made available for non-project assistance until the Sec-*  
21 *retary of State submits to the Committees on Appropria-*  
22 *tions a report on the oversight mechanisms, performance*  
23 *benchmarks, and implementation processes for such funds:*  
24 *Provided, That notwithstanding any other provision of law,*  
25 *funds made available for non-project assistance pursuant*  
26 *to the previous proviso shall be subject to the regular notifi-*

1 *cation procedures of the Committees on Appropriations:*  
2 *Provided further, That of the funds made available for as-*  
3 *sistance for Pakistan under the heading “Economic Sup-*  
4 *port Fund” in this Act, \$5,000,000 shall be made available*  
5 *for the Human Rights and Democracy Fund of the Bureau*  
6 *of Democracy, Human Rights, and Labor, Department of*  
7 *State, for political party development and election observa-*  
8 *tion programs.*

9 *CIVILIAN RESERVE CORPS*

10 *SEC. 3810. Of the funds appropriated by this Act*  
11 *under the heading “Diplomatic and Consular Programs”,*  
12 *up to \$50,000,000 may be made available to support and*  
13 *maintain a civilian reserve corps: Provided, That none of*  
14 *the funds for a civilian reserve corps may be obligated with-*  
15 *out specific authorization in a subsequent Act of Congress:*  
16 *Provided further, That funds made available for this pur-*  
17 *pose shall be subject to the regular notification procedures*  
18 *of the Committees on Appropriations.*

19 *EXTENSION OF AVAILABILITY OF FUNDS*

20 *SEC. 3811. Section 1302(a) of Public Law 109–234 is*  
21 *amended by striking “one additional year” and inserting*  
22 *“two additional years”.*

1 *SPECIAL IMMIGRANT STATUS FOR CERTAIN ALIENS SERV-*  
2 *ING AS TRANSLATORS OR INTERPRETERS WITH FED-*  
3 *ERAL AGENCIES*

4 *SEC. 3812. (a) INCREASE IN NUMBERS ADMITTED.—*  
5 *Section 1059 of the National Defense Authorization Act for*  
6 *Fiscal Year 2006 (8 U.S.C. 1101 note) is amended—*

7 *(1) in subsection (b)(1)—*

8 *(A) in subparagraph (B), by striking “as a*  
9 *translator” and inserting “, or under Chief of*  
10 *Mission authority, as a translator or inter-*  
11 *preter”;*

12 *(B) in subparagraph (C), by inserting “the*  
13 *Chief of Mission or” after “recommendation*  
14 *from”; and*

15 *(C) in subparagraph (D), by inserting “the*  
16 *Chief of Mission or” after “as determined by”;*  
17 *and*

18 *(2) in subsection (c)(1), by striking “section dur-*  
19 *ing any fiscal year shall not exceed 50.” and insert-*  
20 *ing the following: “section—*

21 *“(A) during each of the fiscal years 2007*  
22 *and 2008, shall not exceed 500; and*

23 *“(B) during any other fiscal year shall not*  
24 *exceed 50.”.*

1       (b) *ALIENS EXEMPT FROM EMPLOYMENT-BASED NU-*  
2 *MERICAL LIMITATIONS.*—Section 1059(c)(2) of such Act is  
3 *amended—*

4           (1) *by amending the paragraph designation and*  
5 *heading to read as follows:*

6           “(2) *ALIENS EXEMPT FROM EMPLOYMENT-BASED*  
7 *NUMERICAL LIMITATIONS.*—”; and

8           (2) *by inserting “and shall not be counted*  
9 *against the numerical limitations under sections*  
10 *201(d), 202(a), and 203(b)(4) of the Immigration and*  
11 *Nationality Act (8 U.S.C. 1151(d), 1152(a), and*  
12 *1153(b)(4))” before the period at the end.*

13       (c) *ADJUSTMENT OF STATUS.*—Section 1059 of such  
14 *Act is further amended—*

15           (1) *by redesignating subsection (d) as subsection*  
16 *(e); and*

17           (2) *by inserting after subsection (c) the fol-*  
18 *lowing:*

19           “(d) *ADJUSTMENT OF STATUS.*—Notwithstanding  
20 *paragraphs (2), (7) and (8) of section 245(c) of the Immi-*  
21 *gration and Nationality Act (8 U.S.C. 1255(c)), the Sec-*  
22 *retary of Homeland Security may adjust the status of an*  
23 *alien to that of a lawful permanent resident under section*  
24 *245(a) of such Act if the alien—*

1           “(1) was paroled or admitted as a non-  
2           immigrant into the United States; and

3           “(2) is otherwise eligible for special immigrant  
4           status under this section and under the Immigration  
5           and Nationality Act.”.

6   **TITLE IV—ADDITIONAL HURRI-**  
7   **CANE DISASTER RELIEF AND**  
8   **RECOVERY**

9                           **CHAPTER 1**

10                          *DEPARTMENT OF AGRICULTURE*

11                          *GENERAL PROVISION—THIS CHAPTER*

12           *SEC. 4101. Section 1231(k)(2) of the Food Security Act*  
13 *of 1985 (16 U.S.C. 3831(k)(2)) is amended by striking*  
14 *“During calendar year 2006, the” and inserting “The”.*

15                           **CHAPTER 2**

16                          *DEPARTMENT OF JUSTICE*

17                          *OFFICE OF JUSTICE PROGRAMS*

18                          *STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE*

19           *For an additional amount for “State and Local Law*  
20 *Enforcement Assistance”, for discretionary grants author-*  
21 *ized by subpart 2 of part E, of title I of the Omnibus Crime*  
22 *Control and Safe Streets Act of 1968 as in effect on Sep-*  
23 *tember 30, 2006, notwithstanding the provisions of section*  
24 *511 of said Act, \$50,000,000, to remain available until ex-*  
25 *pendent: Provided, That the amount made available under*

1 *this heading shall be for local law enforcement initiatives*  
2 *in the Gulf Coast region related to the aftermath of Hurri-*  
3 *cane Katrina: Provided further, That these funds shall be*  
4 *apportioned among the States in quotient to their level of*  
5 *violent crime as estimated by the Federal Bureau of Inves-*  
6 *tigation's Uniform Crime Report for the year 2005.*

7 *DEPARTMENT OF COMMERCE*

8 *NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION*

9 *OPERATIONS, RESEARCH, AND FACILITIES*

10 *For an additional amount for "Operations, Research,*  
11 *and Facilities", for necessary expenses related to the con-*  
12 *sequences of Hurricanes Katrina and Rita on the shrimp*  
13 *and fishing industries, \$110,000,000, to remain available*  
14 *until September 30, 2008.*

15 *NATIONAL AERONAUTICS AND SPACE*

16 *ADMINISTRATION*

17 *EXPLORATION CAPABILITIES*

18 *For an additional amount for "Exploration Capabili-*  
19 *ties" for necessary expenses related to the consequences of*  
20 *Hurricane Katrina, \$20,000,000, to remain available until*  
21 *September 30, 2009.*

22 *GENERAL PROVISIONS—THIS CHAPTER*

23 *SEC. 4201. Funds provided in this Act for the "De-*  
24 *partment of Commerce, National Oceanic and Atmospheric*  
25 *Administration, Operations, Research, and Facilities",*



1 *relating to the consequences of Hurricanes Katrina and*  
2 *Rita and for other purposes, \$1,407,700,000, to remain*  
3 *available until expended: Provided, That \$1,300,000,000 of*  
4 *the amount provided may be used by the Secretary of the*  
5 *Army to carry out projects and measures for the West Bank*  
6 *and Vicinity and Lake Ponchartrain and Vicinity, Lou-*  
7 *isiana, projects, as described under the heading “Flood Con-*  
8 *trol and Coastal Emergencies”, in chapter 3 of Public Law*  
9 *109–148: Provided further, That \$107,700,000 of the*  
10 *amount provided may be used to implement the projects for*  
11 *hurricane storm damage reduction, flood damage reduction,*  
12 *and ecosystem restoration within Hancock, Harrison, and*  
13 *Jackson Counties, Mississippi substantially in accordance*  
14 *with the Report of the Chief of Engineers dated December*  
15 *31, 2006, and entitled “Mississippi, Coastal Improvements*  
16 *Program Interim Report, Hancock, Harrison, and Jackson*  
17 *Counties, Mississippi”:* *Provided further, That projects au-*  
18 *thorized for implementation under this Chief’s report shall*  
19 *be carried out at full Federal expense, except that the non-*  
20 *Federal interests shall be responsible for providing for all*  
21 *costs associated with operation and maintenance of the*  
22 *project: Provided further, That any project using funds ap-*  
23 *propriated under this heading shall be initiated only after*  
24 *non-Federal interests have entered into binding agreements*  
25 *with the Secretary requiring the non-Federal interests to*

1 *pay 100 percent of the operation, maintenance, repair, re-*  
2 *placement, and rehabilitation costs of the project and to*  
3 *hold and save the United States free from damages due to*  
4 *the construction or operation and maintenance of the*  
5 *project, except for damages due to the fault or negligence*  
6 *of the United States or its contractors: Provided further,*  
7 *That the Chief of Engineers, acting through the Assistant*  
8 *Secretary of the Army for Civil Works, shall provide a*  
9 *monthly report to the House and Senate Committees on Ap-*  
10 *propriations detailing the allocation and obligation of these*  
11 *funds, beginning not later than 60 days after enactment*  
12 *of this Act.*

13           *GENERAL PROVISIONS—THIS CHAPTER*

14           *SEC. 4301. The Secretary is authorized and directed*  
15 *to determine the value of eligible reimbursable expenses in-*  
16 *curred by local governments in storm-proofing pumping*  
17 *stations, constructing safe houses for operators, and other*  
18 *interim flood control measures in and around the New Orle-*  
19 *ans metropolitan area that the Secretary determines to be*  
20 *integral to the overall plan to ensure operability of the sta-*  
21 *tions during hurricanes, storms and high water events and*  
22 *the flood control plan for the area.*

23           *SEC. 4302. (a) The Secretary of the Army is author-*  
24 *ized and directed to utilize funds remaining available for*  
25 *obligation from the amounts appropriated in chapter 3 of*

1 *Public Law 109–234 under the heading “Flood Control and*  
2 *Coastal Emergencies” for projects in the greater New Orle-*  
3 *ans metropolitan area to prosecute these projects in a man-*  
4 *ner which promotes the goal of continuing work at an opti-*  
5 *mal pace, while maximizing, to the greatest extent prac-*  
6 *ticable, levels of protection to reduce the risk of storm dam-*  
7 *age to people and property.*

8       *(b) The expenditure of funds as provided in subsection*  
9 *(a) may be made without regard to individual amounts or*  
10 *purposes specified in chapter 3 of Public Law 109–234.*

11       *(c) Any reallocation of funds that are necessary to ac-*  
12 *complish the goal established in subsection (a) are author-*  
13 *ized, subject to the approval of the House and Senate Com-*  
14 *mittees on Appropriation.*

15       *SEC. 4303. The Chief of Engineers shall investigate the*  
16 *overall technical advantages, disadvantages and operational*  
17 *effectiveness of operating the new pumping stations at the*  
18 *mouths of the 17th Street, Orleans Avenue and London Ave-*  
19  *nue canals in the New Orleans area directed for construc-*  
20 *tion in Public Law 109–234 concurrently or in series with*  
21 *existing pumping stations serving these canals and the ad-*  
22 *vantages, disadvantages and technical operational effective-*  
23 *ness of removing the existing pumping stations and config-*  
24 *uring the new pumping stations and associated canals to*  
25 *handle all needed discharges to the lakefront or in combina-*



1 count”, \$181,069,000, to remain available until expended,  
2 shall be used for administrative expenses to carry out the  
3 disaster loan program, which may be transferred to and  
4 merged with “Small Business Administration, Salaries and  
5 Expenses”, of which \$500,000 is for the Office of Inspector  
6 General of the Small Business Administration for audits  
7 and reviews of disaster loans and the disaster loan program  
8 and shall be paid to appropriations for the Office of Inspec-  
9 tor General; of which \$171,569,000 is for direct administra-  
10 tive expenses of loan making and servicing to carry out the  
11 direct loan program; and of which \$9,000,000 is for indirect  
12 administrative expenses.

13       Of the unobligated balances under the heading “Small  
14 Business Administration, Disaster Loans Program Ac-  
15 count”, \$25,000,000 shall be made available for loans under  
16 section 7(b)(2) of the Small Business Act to pre-existing  
17 businesses located in an area for which the President de-  
18 clared a major disaster because of the hurricanes in the Gulf  
19 of Mexico in calendar year 2005, of which not to exceed  
20 \$8,750,000 is for direct administrative expenses and may  
21 be transferred to and merged with “Small Business Admin-  
22 istration, Salaries and Expenses” to carry out the disaster  
23 loan program of the Small Business Administration.

24       Of the unobligated balances under the heading “Small  
25 Business Administration, Disaster Loans Program Ac-

1 *count*”, \$150,000,000 is transferred to the “Federal Emer-  
2 *gency Management Agency, Disaster Relief*” account.

### 3 **CHAPTER 5**

#### 4 *DEPARTMENT OF HOMELAND SECURITY*

#### 5 *FEDERAL EMERGENCY MANAGEMENT AGENCY*

#### 6 *DISASTER RELIEF*

#### 7 *(INCLUDING TRANSFER OF FUNDS)*

8 *For an additional amount for “Disaster Relief”,*  
9 *\$710,000,000, to remain available until expended: Pro-*  
10 *vided, That \$4,000,000 shall be transferred to “Office of In-*  
11 *spector General”: Provided further, That the Government*  
12 *Accountability Office shall review how the Federal Emer-*  
13 *gency Management Agency develops its estimates of the*  
14 *funds needed to respond to any given disaster as described*  
15 *in House Report 110–60.*

#### 16 *GENERAL PROVISIONS—THIS CHAPTER*

17 *SEC. 4501. (a) IN GENERAL.—Notwithstanding any*  
18 *other provision of law, including any agreement, the Fed-*  
19 *eral share of assistance, including direct Federal assistance,*  
20 *provided for the States of Louisiana, Mississippi, Florida,*  
21 *Alabama, and Texas in connection with Hurricanes*  
22 *Katrina, Wilma, Dennis, and Rita under sections 403, 406,*  
23 *407, and 408 of the Robert T. Stafford Disaster Relief and*  
24 *Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173,*  
25 *and 5174) shall be 100 percent of the eligible costs under*  
26 *such sections.*

1       **(b) APPLICABILITY.**—

2               **(1) IN GENERAL.**—*The Federal share provided*  
3 *by subsection (a) shall apply to disaster assistance*  
4 *applied for before the date of enactment of this Act.*

5               **(2) LIMITATION.**—*In the case of disaster assist-*  
6 *ance provided under sections 403, 406, and 407 of the*  
7 *Robert T. Stafford Disaster Relief and Emergency As-*  
8 *sistance Act, the Federal share provided by subsection*  
9 *(a) shall be limited to assistance provided for projects*  
10 *for which a “request for public assistance form” has*  
11 *been submitted.*

12       **SEC. 4502. (a) COMMUNITY DISASTER LOAN ACT.**—

13               **(1) IN GENERAL.**—*Section 2(a) of the Commu-*  
14 *nity Disaster Loan Act of 2005 (Public Law 109–88)*  
15 *is amended by striking “Provided further, That not-*  
16 *withstanding section 417(c)(1) of the Stafford Act,*  
17 *such loans may not be canceled:”.*

18               **(2) EFFECTIVE DATE.**—*The amendment made by*  
19 *paragraph (1) shall be effective on the date of enact-*  
20 *ment of the Community Disaster Loan Act of 2005*  
21 *(Public Law 109–88).*

22       **(b) EMERGENCY SUPPLEMENTAL APPROPRIATIONS**  
23 **ACT.**—

24               **(1) IN GENERAL.**—*Chapter 4 of title II of the*  
25 *Emergency Supplemental Appropriations Act for De-*

1        *fense, the Global War on Terror, and Hurricane Re-*  
2        *covery, 2006 (Public Law 109–234) is amended under*  
3        *Federal Emergency Management Agency, “Disaster*  
4        *Assistance Direct Loan Program Account” by striking*  
5        *“Provided further, That notwithstanding section*  
6        *417(c)(1) of such Act, such loans may not be can-*  
7        *celed:”.*

8                (2) *EFFECTIVE DATE.*—*The amendment made by*  
9        *paragraph (1) shall be effective on the date of enact-*  
10        *ment of the Emergency Supplemental Appropriations*  
11        *Act for Defense, the Global War on Terror, and Hur-*  
12        *ricane Recovery, 2006 (Public Law 109–234).*

13        *SEC. 4503. (a) IN GENERAL.*—*Section 2401 of the*  
14        *Emergency Supplemental Appropriations Act for Defense,*  
15        *the Global War on Terror, and Hurricane Recovery, 2006*  
16        *(Public Law 109–234) is amended by striking “12 months”*  
17        *and inserting “24 months”.*

18                (b) *EFFECTIVE DATE.*—*The amendment made by this*  
19        *section shall be effective on the date of enactment of the*  
20        *Emergency Supplemental Appropriations Act for Defense,*  
21        *the Global War on Terror, and Hurricane Recovery, 2006*  
22        *(Public Law 109–234).*

**CHAPTER 6***DEPARTMENT OF THE INTERIOR**NATIONAL PARK SERVICE**HISTORIC PRESERVATION FUND*

1           *For an additional amount for the “Historic Preserva-*  
2           *tion Fund” for necessary expenses related to the con-*  
3           *sequences of Hurricane Katrina and other hurricanes of the*  
4           *2005 season, \$10,000,000, to remain available until Sep-*  
5           *tember 30, 2008: Provided, That the funds provided under*  
6           *this heading shall be provided to the State Historic Preser-*  
7           *vation Officer, after consultation with the National Park*  
8           *Service, for grants for disaster relief in areas of Louisiana*  
9           *impacted by Hurricanes Katrina or Rita: Provided further,*  
10           *That grants shall be for the preservation, stabilization, re-*  
11           *habilitation, and repair of historic properties listed in or*  
12           *eligible for the National Register of Historic Places, for*  
13           *planning and technical assistance: Provided further, That*  
14           *grants shall only be available for areas that the President*  
15           *determines to be a major disaster under section 102(2) of*  
16           *the Robert T. Stafford Disaster Relief and Emergency As-*  
17           *sistance Act (42 U.S.C. 5122(2)) due to Hurricanes*  
18           *Katrina or Rita: Provided further, That individual grants*  
19           *shall not be subject to a non-Federal matching requirement:*  
20           *Provided further, That no more than 5 percent of funds pro-*  
21           *vided for this purpose shall be used for the construction, repair,*  
22           *or replacement of any building or structure, or any other*  
23           *real property, owned by the Federal Government, or any*  
24           *building or structure, or any other real property, owned by the*

1 *vided under this heading for disaster relief grants may be*  
2 *used for administrative expenses.*

3 **GENERAL PROVISION—THIS CHAPTER**

4 *(INCLUDING TRANSFER OF FUNDS)*

5 *SEC. 4601. Of the disaster relief funds from Public*  
6 *Law 109–234, 120 Stat. 418, 461, (June 30, 2006), chapter*  
7 *5, “National Park Service—Historic Preservation Fund”,*  
8 *for necessary expenses related to the consequences of Hurri-*  
9 *cane Katrina and other hurricanes of the 2005 season that*  
10 *were allocated to the State of Mississippi by the National*  
11 *Park Service, \$500,000 is hereby transferred to the “Na-*  
12 *tional Park Service—National Recreation and Preserva-*  
13 *tion” appropriation: Provided, That these funds may be*  
14 *used to reconstruct destroyed properties that at the time of*  
15 *destruction were listed in the National Register of Historic*  
16 *Places and are otherwise qualified to receive these funds:*  
17 *Provided further, That the State Historic Preservation Offi-*  
18 *cer certifies that, for the community where that destroyed*  
19 *property was located, the property is iconic to or essential*  
20 *to illustrating that community’s historic identity, that no*  
21 *other property in that community with the same associative*  
22 *historic value has survived, and that sufficient historical*  
23 *documentation exists to ensure an accurate reproduction.*

**CHAPTER 7***DEPARTMENT OF EDUCATION**HIGHER EDUCATION*

1  
2  
3  
4       *For an additional amount under part B of title VII*  
5 *of the Higher Education Act of 1965 (“HEA”) for institu-*  
6 *tions of higher education (as defined in section 101 or sec-*  
7 *tion 102(c) of that Act) that are located in an area in which*  
8 *a major disaster was declared in accordance with section*  
9 *401 of the Robert T. Stafford Disaster Relief and Emer-*  
10 *gency Assistance Act related to Hurricanes Katrina or*  
11 *Rita, \$30,000,000: Provided, That such funds shall be avail-*  
12 *able to the Secretary of Education only for payments to*  
13 *help defray the expenses (which may include lost revenue,*  
14 *reimbursement for expenses already incurred, and construc-*  
15 *tion) incurred by such institutions of higher education that*  
16 *were forced to close, relocate or significantly curtail their*  
17 *activities as a result of damage directly caused by such hur-*  
18 *ricanes and for payments to enable such institutions to pro-*  
19 *vide grants to students who attend such institutions for aca-*  
20 *demic years beginning on or after July 1, 2006: Provided*  
21 *further, That such payments shall be made in accordance*  
22 *with criteria established by the Secretary and made pub-*  
23 *licly available without regard to section 437 of the General*  
24 *Education Provisions Act, section 553 of title 5, United*  
25 *States Code, or part B of title VII of the HEA: Provided*

1 *further, That the Secretary shall award funds available*  
2 *under this paragraph not later than 60 days after the date*  
3 *of the enactment of this Act.*

4 *HURRICANE EDUCATION RECOVERY*

5 *For carrying out activities authorized by subpart 1 of*  
6 *part D of title V of the Elementary and Secondary Edu-*  
7 *cation Act of 1965, \$30,000,000, to remain available until*  
8 *expended, for use by the States of Louisiana, Mississippi,*  
9 *and Alabama primarily for recruiting, retaining, and com-*  
10 *pensating new and current teachers, school principals, as-*  
11 *sistant principals, principal resident directors, assistant*  
12 *directors, and other educators, who commit to work for at*  
13 *least three years in school-based positions in public elemen-*  
14 *tary and secondary schools located in an area with respect*  
15 *to which a major disaster was declared under section 401*  
16 *of the Robert T. Stafford Disaster Relief and Emergency*  
17 *Assistance Act (42 U.S.C. 5170) by reason of Hurricane*  
18 *Katrina or Hurricane Rita, including through such mecha-*  
19 *nisms as paying salary premiums, performance bonuses,*  
20 *housing subsidies, signing bonuses, and relocation costs and*  
21 *providing loan forgiveness, with priority given to teachers*  
22 *and school-based school principals, assistant principals,*  
23 *principal resident directors, assistant directors, and other*  
24 *educators who previously worked or lived in one of the af-*  
25 *ected areas, are currently employed (or become employed)*

1 *in such a school in any of the affected areas after those dis-*  
2 *asters, and commit to continue that employment for at least*  
3 *3 years, Provided, That funds available under this heading*  
4 *to such States may also be used for 1 or more of the fol-*  
5 *lowing activities: (1) to build the capacity, knowledge, and*  
6 *skill of teachers and school-based school principals, assistant*  
7 *principals, principal resident directors, assistant directors,*  
8 *and other educators in such public elementary and sec-*  
9 *ondary schools to provide an effective education, including*  
10 *the design, adaptation, and implementation of high-quality*  
11 *formative assessments; (2) the establishment of partnerships*  
12 *with nonprofit entities with a demonstrated track record*  
13 *in recruiting and retaining outstanding teachers and other*  
14 *school-based school principals, assistant principals, prin-*  
15 *icipal resident directors, and assistant directors; and (3)*  
16 *paid release time for teachers and principals to identify*  
17 *and replicate successful practices from the fastest-improving*  
18 *and highest-performing schools: Provided further, That the*  
19 *Secretary of Education shall allocate amounts available*  
20 *under this heading among such States that submit applica-*  
21 *tions; that such allocation shall be based on the number of*  
22 *public elementary and secondary schools in each State that*  
23 *were closed for 19 days or more during the period beginning*  
24 *on August 29, 2005, and ending on December 31, 2005, due*  
25 *to Hurricane Katrina or Hurricane Rita; and that such*

1 *States shall in turn allocate funds to local educational agen-*  
2 *cies, with priority given first to such agencies with the high-*  
3 *est percentages of public elementary and secondary schools*  
4 *that are closed as a result of such hurricanes as of the date*  
5 *of enactment of this Act and then to such agencies with the*  
6 *highest percentages of public elementary and secondary*  
7 *schools with a student-teacher ratio of at least 25 to 1, and*  
8 *with any remaining amounts to be distributed to such agen-*  
9 *cies with demonstrated need, as determined by the State Su-*  
10 *perintendent of Education: Provided further, That, in the*  
11 *case of any State that chooses to use amounts available*  
12 *under this heading for performance bonuses, not later than*  
13 *60 days after the date of enactment of this Act, and in col-*  
14 *laboration with local educational agencies, teachers' unions,*  
15 *local principals' organizations, local parents' organiza-*  
16 *tions, local business organizations, and local charter schools*  
17 *organizations, the State educational agency shall develop*  
18 *a plan for a rating system for performance bonuses, and*  
19 *if no agreement has been reached that is satisfactory to all*  
20 *consulting entities by such deadline, the State educational*  
21 *agency shall immediately send a letter notifying Congress*  
22 *and shall, not later than 30 days after such notification,*  
23 *establish and implement a rating system that shall be based*  
24 *on classroom observation and feedback more than once an-*  
25 *nually, conducted by multiple sources (including, but not*

1 *limited to, principals and master teachers), and evaluated*  
2 *against research-based rubrics that use planning, instruc-*  
3 *tional, and learning environment standards to measure*  
4 *teacher performance, except that the requirements of this*  
5 *proviso shall not apply to a State that has enacted a State*  
6 *law in 2006 authorizing performance pay for teachers.*

7 *PROGRAMS TO RESTART SCHOOL OPERATIONS*

8 *Funds made available under section 102 of the Hurri-*  
9 *cane Education Recovery Act (title IV of division B of Pub-*  
10 *lic Law 109–148) may be used by the States of Louisiana,*  
11 *Mississippi, Alabama, and Texas, in addition to the uses*  
12 *of funds described in section 102(e), for the following costs:*  
13 *(1) recruiting, retaining, and compensating new and cur-*  
14 *rent teachers, school principals, assistant principals, prin-*  
15 *cipal resident directors, assistant directors, and other edu-*  
16 *cators for school-based positions in public elementary and*  
17 *secondary schools impacted by Hurricane Katrina or Hur-*  
18 *ricane Rita, including through such mechanisms as paying*  
19 *salary premiums, performance bonuses, housing subsidies,*  
20 *signing bonuses, and relocation costs and providing loan*  
21 *forgiveness; (2) activities to build the capacity, knowledge,*  
22 *and skills of teachers and school-based school principals, as-*  
23 *stant principals, principal resident directors, assistant*  
24 *directors, and other educators in such public elementary*  
25 *and secondary schools to provide an effective education, in-*

1 cluding the design, adaptation, and implementation of  
2 high-quality formative assessments; (3) the establishment of  
3 partnerships with nonprofit entities with a demonstrated  
4 track record in recruiting and retaining outstanding teach-  
5 ers and school-based school principals, assistant principals,  
6 principal resident directors, and assistant directors; and  
7 (4) paid release time for teachers and principals to identify  
8 and replicate successful practices from the fastest-improving  
9 and highest-performing schools.

10           **GENERAL PROVISIONS—THIS CHAPTER**

11           *SEC. 4701. Section 105(b) of title IV of division B of*  
12 *Public Law 109–148 is amended by adding at the end the*  
13 *following new sentence: “With respect to the program au-*  
14 *thorized by section 102 of this Act, the waiver authority*  
15 *in subsection (a) of this section shall be available until the*  
16 *end of fiscal year 2008.”.*

17           *SEC. 4702. Notwithstanding section 2002(c) of the So-*  
18 *cial Security Act (42 U.S.C. 1397a(c)), funds made avail-*  
19 *able under the heading “Social Services Block Grant” in*  
20 *division B of Public Law 109–148 shall be available for*  
21 *expenditure by the States through the end of fiscal year*  
22 *2009.*

23           *SEC. 4703. (a) In the event that Louisiana, Mis-*  
24 *issippi, Alabama, or Texas fails to meet its match require-*  
25 *ment with funds appropriated in fiscal year 2006 or 2007,*

1 *for fiscal years 2008 and 2009, the Secretary of Health and*  
 2 *Human Services may waive the application of section*  
 3 *2617(d)(4) of the Public Health Service Act for Louisiana,*  
 4 *Mississippi, Alabama, and Texas.*

5 *(b) The Secretary may not exercise the waiver author-*  
 6 *ity available under subsection (a) to allow a grantee to pro-*  
 7 *vide less than a 25 percent matching grant.*

8 *(c) For grant years beginning in 2008, Louisiana,*  
 9 *Mississippi, Alabama, and Texas and any eligible metro-*  
 10 *politan area in Louisiana, Mississippi, Alabama, and*  
 11 *Texas shall comply with each of the applicable requirements*  
 12 *under title XXVI of the Public Health Service Act (42*  
 13 *U.S.C. 300ff–11 et seq.).*

## 14 **CHAPTER 8**

### 15 **DEPARTMENT OF TRANSPORTATION**

#### 16 **FEDERAL HIGHWAY ADMINISTRATION**

##### 17 **FEDERAL-AID HIGHWAYS**

##### 18 **EMERGENCY RELIEF PROGRAM**

##### 19 **(INCLUDING RESCISSION OF FUNDS)**

20 *For an additional amount for the Emergency Relief*  
 21 *Program as authorized under section 125 of title 23, United*  
 22 *States Code, \$871,022,000, to remain available until ex-*  
 23 *pended: Provided, That section 125(d)(1) of title 23, United*  
 24 *States Code, shall not apply to emergency relief projects*  
 25 *that respond to damage caused by the 2005–2006 winter*  
 26 *storms in the State of California: Provided further, That*

1 *of the unobligated balances of funds apportioned to each*  
2 *State under chapter 1 of title 23, United States Code,*  
3 *\$871,022,000 are rescinded: Provided further, That such re-*  
4 *scission shall not apply to the funds distributed in accord-*  
5 *ance with sections 130(f) and 104(b)(5) of title 23, United*  
6 *States Code; sections 133(d)(1) and 163 of such title, as in*  
7 *effect on the day before the date of enactment of Public Law*  
8 *109–59; and the first sentence of section 133(d)(3)(A) of*  
9 *such title.*

10 *FEDERAL TRANSIT ADMINISTRATION*

11 *FORMULA GRANTS*

12 *For an additional amount to be allocated by the Sec-*  
13 *retary to recipients of assistance under chapter 53 of title*  
14 *49, United States Code, directly affected by Hurricanes*  
15 *Katrina and Rita, \$35,000,000, for the operating and cap-*  
16 *ital costs of transit services, to remain available until ex-*  
17 *pended: Provided, That the Federal share for any project*  
18 *funded from this amount shall be 100 percent.*

19 *DEPARTMENT OF HOUSING AND URBAN*

20 *DEVELOPMENT*

21 *OFFICE OF INSPECTOR GENERAL*

22 *For an additional amount for the Office of Inspector*  
23 *General, for the necessary costs related to the consequences*  
24 *of Hurricanes Katrina and Rita, \$7,000,000, to remain*  
25 *available until expended.*

1           *GENERAL PROVISIONS—THIS CHAPTER*

2           *SEC. 4801. The third proviso under the heading “De-*  
3 *partment of Housing and Urban Development—Public and*  
4 *Indian Housing—Tenant-Based Rental Assistance” in*  
5 *chapter 9 of title I of division B of Public Law 109–148*  
6 *(119 Stat. 2779) is amended by striking “for up to 18*  
7 *months” and inserting “until December 31, 2007”.*

8           *SEC. 4802. Section 21033 of the Continuing Appro-*  
9 *priations Resolution, 2007 (division B of Public Law 109–*  
10 *289, as amended by Public Law 110–5) is amended by add-*  
11 *ing after the third proviso: “: Provided further, That not-*  
12 *withstanding the previous proviso, except for applying the*  
13 *2007 Annual Adjustment Factor and making any other*  
14 *specified adjustments, public housing agencies specified in*  
15 *category 1 below shall receive funding for calendar year*  
16 *2007 based on the higher of the amounts the agencies would*  
17 *receive under the previous proviso or the amounts the agen-*  
18 *cies received in calendar year 2006, and public housing*  
19 *agencies specified in categories 2 and 3 below shall receive*  
20 *funding for calendar year 2007 equal to the amounts the*  
21 *agencies received in calendar year 2006, except that public*  
22 *housing agencies specified in categories 1 and 2 below shall*  
23 *receive funding under this proviso only if, and to the extent*  
24 *that, any such public housing agency submits a plan, ap-*  
25 *proved by the Secretary, that demonstrates that the agency*

1 *can effectively use within 12 months the funding that the*  
2 *agency would receive under this proviso that is in addition*  
3 *to the funding that the agency would receive under the pre-*  
4 *vious proviso: (1) public housing agencies that are eligible*  
5 *for assistance under section 901 in Public Law 109–148*  
6 *(119 Stat. 2781) or are located in the same counties as those*  
7 *eligible under section 901 and operate voucher programs*  
8 *under section 8(o) of the United States Housing Act of 1937*  
9 *but do not operate public housing under section 9 of such*  
10 *Act, and any public housing agency that otherwise qualifies*  
11 *under this category must demonstrate that they have experi-*  
12 *enced a loss of rental housing stock as a result of the 2005*  
13 *hurricanes; (2) public housing agencies that would receive*  
14 *less funding under the previous proviso than they would*  
15 *receive under this proviso and that have been placed in re-*  
16 *ceivership or the Secretary has declared to be in breach of*  
17 *an Annual Contributions Contract by June 1, 2007; and*  
18 *(3) public housing agencies that spent more in calendar*  
19 *year 2006 than the total of the amounts of any such public*  
20 *housing agency’s allocation amount for calendar year 2006*  
21 *and the amount of any such public housing agency’s avail-*  
22 *able housing assistance payments undesignated funds bal-*  
23 *ance from calendar year 2005 and the amount of any such*  
24 *public housing agency’s available administrative fees un-*  
25 *designated funds balance through calendar year 2006”.*



1 *determined by the Secretary, to provide recovery assistance*  
2 *in response to damage in conjunction with the Presidential*  
3 *declaration of a major disaster (FEMA-1699-DR) dated*  
4 *May 6, 2007, for needs not met by the Federal Emergency*  
5 *Management Agency or private insurers: Provided, That,*  
6 *in addition, the Secretary may use funds provided under*  
7 *this section, consistent with the provisions of this section,*  
8 *to respond to any other Presidential declaration of a major*  
9 *disaster issued under the authority of the Robert T. Stafford*  
10 *Disaster Relief and Emergency Assistance Act, 42 U.S.C.*  
11 *5121-5206 (the Stafford Act), declared during fiscal year*  
12 *2007 for events occurring before the date of the enactment*  
13 *of this Act or a Secretary of Agriculture declaration of a*  
14 *natural disaster, declared during fiscal year 2007 for events*  
15 *occurring before the date of the enactment of this Act.*

## 16 **CHAPTER 2**

### 17 **DEPARTMENT OF COMMERCE**

#### 18 **NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

#### 19 **OPERATIONS, RESEARCH, AND FACILITIES**

20 *For an additional amount for “Operations, Research,*  
21 *and Facilities”, \$60,400,000, to remain available until Sep-*  
22 *tember 30, 2008: Provided, That the National Marine Fish-*  
23 *eries Service shall cause such amounts to be distributed*  
24 *among eligible recipients of assistance for the commercial*  
25 *fishery failure designated under section 312(a) of the Mag-*

1 *nuson-Stevens Fishery Conservation and Management Act*  
2 *(16 U.S.C. 1861a(a)) and declared by the Secretary of Com-*  
3 *merce on August 10, 2006.*

### 4 **CHAPTER 3**

#### 5 *DEPARTMENT OF DEFENSE—CIVIL*

#### 6 *DEPARTMENT OF THE ARMY*

#### 7 *CORPS OF ENGINEERS—CIVIL*

#### 8 *INVESTIGATIONS*

9 *For an additional amount for “Investigations” for*  
10 *flood damage reduction studies to address flooding associ-*  
11 *ated with disasters covered by Presidential Disaster Dec-*  
12 *laration FEMA–1692–DR, \$8,165,000, to remain available*  
13 *until expended.*

#### 14 *CONSTRUCTION*

15 *For an additional amount for “Construction” for flood*  
16 *damage reduction activities associated with disasters cov-*  
17 *ered by Presidential Disaster Declarations FEMA–1692–*  
18 *DR and FEMA–1694–DR, \$11,200,000, to remain avail-*  
19 *able until expended.*

#### 20 *OPERATION AND MAINTENANCE*

21 *For an additional amount for “Operation and Mainte-*  
22 *nance” to dredge navigation channels related to the con-*  
23 *sequences of hurricanes of the 2005 season, \$3,000,000, to*  
24 *remain available until expended.*

1 *FLOOD CONTROL AND COASTAL EMERGENCIES*

2 *For an additional amount for “Flood Control and*  
3 *Coastal Emergencies”, as authorized by section 5 of the Act*  
4 *of August 18, 1941 (33 U.S.C. 701n), to support emergency*  
5 *operations, repairs and other activities in response to flood,*  
6 *drought and earthquake emergencies as authorized by law,*  
7 *\$153,300,000, to remain available until expended: Pro-*  
8 *vided, That the Chief of Engineers, acting through the As-*  
9 *sistant Secretary of the Army for Civil Works, shall provide*  
10 *a monthly report to the House and Senate Committees on*  
11 *Appropriations detailing the allocation and obligation of*  
12 *these funds, beginning not later than 60 days after enact-*  
13 *ment of this Act: Provided further, That of the funds pro-*  
14 *vided under this heading, \$7,000,000 shall be available for*  
15 *drought emergency assistance.*

16 *DEPARTMENT OF THE INTERIOR*17 *BUREAU OF RECLAMATION*18 *WATER AND RELATED RESOURCES*

19 *For an additional amount for “Water and Related Re-*  
20 *sources”, \$18,000,000, to remain available until expended*  
21 *for drought assistance: Provided, That drought assistance*  
22 *may be provided under the Reclamation States Drought*  
23 *Emergency Act or other applicable Reclamation authorities*  
24 *to assist drought plagued areas of the West.*

**CHAPTER 4***DEPARTMENT OF THE INTERIOR**BUREAU OF LAND MANAGEMENT**WILDLAND FIRE MANAGEMENT**(INCLUDING TRANSFER OF FUNDS)*

1  
2  
3  
4  
5  
6       *For an additional amount for “Wildland Fire Man-*  
7 *agement”, \$95,000,000, to remain available until expended,*  
8 *for urgent wildland fire suppression activities: Provided,*  
9 *That such funds shall only become available if funds pre-*  
10 *viously provided for wildland fire suppression will be ex-*  
11 *hausted imminently and the Secretary of the Interior noti-*  
12 *fies the House and Senate Committees on Appropriations*  
13 *in writing of the need for these additional funds: Provided*  
14 *further, That such funds are also available for repayment*  
15 *to other appropriations accounts from which funds were*  
16 *transferred for wildfire suppression.*

*UNITED STATES FISH AND WILDLIFE SERVICE**RESOURCE MANAGEMENT*

17  
18  
19       *For an additional amount for “Resource Manage-*  
20 *ment” for the detection of highly pathogenic avian influenza*  
21 *in wild birds, including the investigation of morbidity and*  
22 *mortality events, targeted surveillance in live wild birds,*  
23 *and targeted surveillance in hunter-taken birds, \$7,398,000,*  
24 *to remain available until September 30, 2008.*

1                                    *NATIONAL PARK SERVICE*2                                    *OPERATION OF THE NATIONAL PARK SYSTEM*

3            *For an additional amount for “Operation of the Na-*  
4 *tional Park System” for the detection of highly pathogenic*  
5 *avian influenza in wild birds, including the investigation*  
6 *of morbidity and mortality events, \$525,000, to remain*  
7 *available until September 30, 2008.*

8                                    *UNITED STATES GEOLOGICAL SURVEY*9                                    *SURVEYS, INVESTIGATIONS, AND RESEARCH*

10          *For an additional amount for “Surveys, Investiga-*  
11 *tions, and Research” for the detection of highly pathogenic*  
12 *avian influenza in wild birds, including the investigation*  
13 *of morbidity and mortality events, targeted surveillance in*  
14 *live wild birds, and targeted surveillance in hunter-taken*  
15 *birds, \$5,270,000, to remain available until September 30,*  
16 *2008.*

17                                    *DEPARTMENT OF AGRICULTURE*18                                    *FOREST SERVICE*19                                    *NATIONAL FOREST SYSTEM*

20          *For an additional amount for “National Forest Sys-*  
21 *tem” for the implementation of a nationwide initiative to*  
22 *increase protection of national forest lands from drug-traf-*  
23 *ficking organizations, including funding for additional law*  
24 *enforcement personnel, training, equipment and cooperative*

1 *agreements, \$12,000,000, to remain available until ex-*  
2 *pended.*

3 *WILDLAND FIRE MANAGEMENT*

4 *(INCLUDING TRANSFER OF FUNDS)*

5 *For an additional amount for “Wildland Fire Man-*  
6 *agement”, \$370,000,000, to remain available until ex-*  
7 *pended, for urgent wildland fire suppression activities: Pro-*  
8 *vided, That such funds shall only become available if funds*  
9 *provided previously for wildland fire suppression will be*  
10 *exhausted imminently and the Secretary of Agriculture no-*  
11 *tifies the House and Senate Committees on Appropriations*  
12 *in writing of the need for these additional funds: Provided*  
13 *further, That such funds are also available for repayment*  
14 *to other appropriation accounts from which funds were*  
15 *transferred for wildfire suppression.*

16 *GENERAL PROVISION—THIS CHAPTER*

17 *SEC. 5401. (a) For fiscal year 2007, payments shall*  
18 *be made from any revenues, fees, penalties, or miscellaneous*  
19 *receipts described in sections 102(b)(3) and 103(b)(2) of the*  
20 *Secure Rural Schools and Community Self-Determination*  
21 *Act of 2000 (Public Law 106–393; 16 U.S.C. 500 note),*  
22 *not to exceed \$100,000,000, and the payments shall be*  
23 *made, to the maximum extent practicable, in the same*  
24 *amounts, for the same purposes, and in the same manner*

1 *as were made to States and counties in 2006 under that*  
2 *Act.*

3 *(b) There is appropriated \$425,000,000, to remain*  
4 *available until December 31, 2007, to be used to cover any*  
5 *shortfall for payments made under this section from funds*  
6 *not otherwise appropriated.*

7 *(c) Titles II and III of Public Law 106–393 are*  
8 *amended, effective September 30, 2006, by striking “2006”*  
9 *and “2007” each place they appear and inserting “2007”*  
10 *and “2008”, respectively.*

## 11 **CHAPTER 5**

### 12 *DEPARTMENT OF HEALTH AND HUMAN*

### 13 *SERVICES*

### 14 *CENTERS FOR DISEASE CONTROL AND PREVENTION*

### 15 *DISEASE CONTROL, RESEARCH AND TRAINING*

16 *For an additional amount for “Department of Health*  
17 *and Human Services, Centers for Disease Control and Pre-*  
18 *vention, Disease Control, Research and Training”, to carry*  
19 *out section 501 of the Federal Mine Safety and Health Act*  
20 *of 1977 and section 6 of the Mine Improvement and New*  
21 *Emergency Response Act of 2006, \$13,000,000 for research*  
22 *to develop mine safety technology, including necessary re-*  
23 *pairs and improvements to leased laboratories: Provided,*  
24 *That progress reports on technology development shall be*  
25 *submitted to the House and Senate Committees on Appro-*

1 *priations and the Committee on Health, Education, Labor*  
2 *and Pensions of the Senate and the Committee on Edu-*  
3 *cation and Labor of the House of Representatives on a quar-*  
4 *terly basis: Provided further, That the amount provided*  
5 *under this heading shall remain available until September*  
6 *30, 2008.*

7 *For an additional amount for “Department of Health*  
8 *and Human Services, Centers for Disease Control and Pre-*  
9 *vention, Disease Control, Research and Training”, to carry*  
10 *out activities under section 5011(b) of the Emergency Sup-*  
11 *plemental Appropriations Act to Address Hurricanes in the*  
12 *Gulf of Mexico and Pandemic Influenza, 2006 (Public Law*  
13 *109–148), \$50,000,000, to remain available until expended.*

14 **GENERAL PROVISIONS—THIS CHAPTER**

15 *(INCLUDING RESCISSIONS)*

16 *SEC. 5501. (a). From unexpended balances available*  
17 *for the Training and Employment Services account under*  
18 *the Department of Labor, the following amounts are hereby*  
19 *rescinded—*

20 *(1) \$3,589,000 transferred pursuant to the 2001*  
21 *Emergency Supplemental Appropriations Act for Re-*  
22 *covery from and Response to Terrorist Attacks on the*  
23 *United States (Public Law 107–38);*

1           (2) \$834,000 transferred pursuant to the Emer-  
2           gency Supplemental Appropriations Act of 1994  
3           (Public Law 103–211); and

4           (3) \$71,000 for the Consortium for Worker Edu-  
5           cation pursuant to the Emergency Supplemental Act,  
6           2002 (Public Law 107–117).

7           (b) From unexpended balances available for the State  
8           Unemployment Insurance and Employment Service Oper-  
9           ations account under the Department of Labor pursuant  
10          to the Emergency Supplemental Act, 2002 (Public Law  
11          107–117), \$4,100,000 are hereby rescinded.

12          SEC. 5502. (a) For an additional amount under “De-  
13          partment of Education, Safe Schools and Citizenship Edu-  
14          cation”, \$8,594,000 shall be available for Safe and Drug-  
15          Free Schools National Programs for competitive grants to  
16          local educational agencies to address youth violence and re-  
17          lated issues.

18          (b) The competition under subsection (a) shall be lim-  
19          ited to local educational agencies that operate schools cur-  
20          rently identified as persistently dangerous under section  
21          9532 of the Elementary and Secondary Education Act of  
22          1965.

23          SEC. 5503. Unobligated balances from funds appro-  
24          priated in the Department of Defense and Emergency Sup-  
25          plemental Appropriations for Recovery from and Response

1 *to Terrorist Attacks on the United States Act, 2002 (Public*  
 2 *Law 107–117) to the Department of Health and Human*  
 3 *Services under the heading “Public Health and Social Serv-*  
 4 *ices Emergency Fund” that are available for bioterrorism*  
 5 *preparedness and disaster response activities in the Office*  
 6 *of the Secretary shall also be available for the construction,*  
 7 *renovation and improvement of facilities on federally-*  
 8 *owned land as necessary for continuity of operations activi-*  
 9 *ties.*

## 10 **CHAPTER 6**

### 11 *LEGISLATIVE BRANCH*

#### 12 *CAPITOL POLICE*

#### 13 *GENERAL EXPENSES*

14 *For an additional amount for “Capitol Police, General*  
 15 *Expenses”, \$10,000,000 for a radio modernization pro-*  
 16 *gram, to remain available until expended: Provided, That*  
 17 *the Chief of the Capitol Police may not obligate any of the*  
 18 *funds appropriated under this heading without approval*  
 19 *of an obligation plan by the Committees on Appropriations*  
 20 *of the Senate and the House of Representatives.*

#### 21 *ARCHITECT OF THE CAPITOL*

#### 22 *CAPITOL POWER PLANT*

23 *For an additional amount for “Capitol Power Plant”,*  
 24 *\$50,000,000, for utility tunnel repairs and asbestos abate-*  
 25 *ment, to remain available until September 30, 2011: Pro-*

1 *vided, That the Architect of the Capitol may not obligate*  
2 *any of the funds appropriated under this heading without*  
3 *approval of an obligation plan by the Committees on Ap-*  
4 *propriations of the Senate and House of Representatives.*

## 5 **CHAPTER 7**

### 6 **DEPARTMENT OF VETERANS AFFAIRS**

#### 7 **VETERANS HEALTH ADMINISTRATION**

#### 8 **MEDICAL SERVICES**

9 *For an additional amount for “Medical Services”,*  
10 *\$466,778,000, to remain available until expended, of which*  
11 *\$30,000,000 shall be for the establishment of at least one*  
12 *new Level I comprehensive polytrauma center; \$9,440,000*  
13 *shall be for the establishment of polytrauma residential*  
14 *transitional rehabilitation programs; \$10,000,000 shall be*  
15 *for additional transition caseworkers; \$20,000,000 shall be*  
16 *for substance abuse treatment programs; \$20,000,000 shall*  
17 *be for readjustment counseling; \$10,000,000 shall be for*  
18 *blind rehabilitation services; \$100,000,000 shall be for en-*  
19 *hancements to mental health services; \$8,000,000 shall be*  
20 *for polytrauma support clinic teams; \$5,356,000 shall be*  
21 *for additional polytrauma points of contact; \$228,982,000*  
22 *shall be for treatment of Operation Enduring Freedom and*  
23 *Operation Iraqi Freedom veterans; and \$25,000,000 shall*  
24 *be for prosthetics.*

1 *MEDICAL ADMINISTRATION*

2 *For an additional amount for “Medical Administra-*  
3 *tion”, \$250,000,000, to remain available until expended.*

4 *MEDICAL FACILITIES*

5 *For an additional amount for “Medical Facilities”,*  
6 *\$595,000,000, to remain available until expended, of which*  
7 *\$45,000,000 shall be used for facility and equipment up-*  
8 *grades at the Department of Veterans Affairs polytrauma*  
9 *network sites; and \$550,000,000 shall be for non-recurring*  
10 *maintenance as identified in the Department of Veterans*  
11 *Affairs Facility Condition Assessment report: Provided,*  
12 *That the amount provided under this heading for non-re-*  
13 *curring maintenance shall be allocated in a manner not*  
14 *subject to the Veterans Equitable Resource Allocation: Pro-*  
15 *vided further, That within 30 days of enactment of this Act*  
16 *the Secretary shall submit to the Committees on Appropria-*  
17 *tions of both Houses of Congress an expenditure plan, by*  
18 *project, for non-recurring maintenance prior to obligation:*  
19 *Provided further, That semi-annually, on October 1 and*  
20 *April 1, the Secretary shall submit to the Committees on*  
21 *Appropriations of both Houses of Congress a report on the*  
22 *status of funding for non-recurring maintenance, including*  
23 *obligations and unobligated balances for each project identi-*  
24 *fied in the expenditure plan.*

1                    *MEDICAL AND PROSTHETIC RESEARCH*

2            *For an additional amount for “Medical and Prosthetic*  
3 *Research”, \$32,500,000, to remain available until ex-*  
4 *pended, which shall be used for research related to the*  
5 *unique medical needs of returning Operation Enduring*  
6 *Freedom and Operation Iraqi Freedom veterans.*

7                    *DEPARTMENTAL ADMINISTRATION*8                    *GENERAL OPERATING EXPENSES*9                    *(INCLUDING TRANSFER OF FUNDS)*

10           *For an additional amount for “General Operating Ex-*  
11 *penses”, \$83,200,000, to remain available until expended,*  
12 *of which \$1,250,000 shall be for digitization of military*  
13 *records; \$60,750,000 shall be for expenses related to hiring*  
14 *and training new claims processing personnel; up to*  
15 *\$1,200,000 shall be for an independent study of the organi-*  
16 *zational structure, management and coordination processes,*  
17 *including seamless transition, utilized by the Department*  
18 *of Veterans Affairs to provide health care and benefits to*  
19 *active duty personnel and veterans, including those return-*  
20 *ing Operation Enduring Freedom and Operation Iraqi*  
21 *Freedom veterans; and \$20,000,000 shall be for disability*  
22 *examinations: Provided, That not to exceed \$1,250,000 of*  
23 *the amount appropriated under this heading may be trans-*  
24 *ferred to the Department of Defense for the digitization of*  
25 *military records used to verify stressors for benefits claims.*

1                    *INFORMATION TECHNOLOGY SYSTEMS*

2            *For an additional amount for “Information Tech-*  
3 *nology Systems”, \$35,100,000, to remain available until ex-*  
4 *pende d, of which \$20,000,000 shall be for information tech-*  
5 *nology support and improvements for processing of Oper-*  
6 *ation Enduring Freedom and Operation Iraqi Freedom vet-*  
7 *erans benefits claims, including making electronic Depart-*  
8 *ment of Defense medical records available for claims proc-*  
9 *essing and enabling electronic benefits applications by vet-*  
10 *erans; and \$15,100,000 shall be for electronic data breach*  
11 *remediation and prevention.*

12                    *CONSTRUCTION, MINOR PROJECTS*

13            *For an additional amount for “Construction, Minor*  
14 *Projects”, \$326,000,000, to remain available until ex-*  
15 *pende d, of which up to \$36,000,000 shall be for construction*  
16 *costs associated with the establishment of polytrauma resi-*  
17 *dential transitional rehabilitation programs.*

18                    *GENERAL PROVISIONS—THIS CHAPTER*

19            *SEC. 5701. The Director of the Congressional Budget*  
20 *Office shall, not later than November 15, 2007, submit to*  
21 *the Committees on Appropriations of the House of Rep-*  
22 *resentatives and the Senate a report projecting appropria-*  
23 *tions necessary for the Departments of Defense and Veterans*  
24 *Affairs to continue providing necessary health care to vet-*  
25 *erans of the conflicts in Iraq and Afghanistan. The projec-*  
26 *tions should span several scenarios for the duration and*

1 *number of forces deployed in Iraq and Afghanistan, and*  
2 *more generally, for the long-term health care needs of de-*  
3 *ployed troops engaged in the global war on terrorism over*  
4 *the next 10 years.*

5       *SEC. 5702. Notwithstanding any other provision of*  
6 *law, appropriations made by Public Law 110–5, which the*  
7 *Secretary of Veterans Affairs contributes to the Department*  
8 *of Defense/Department of Veterans Affairs Health Care*  
9 *Sharing Incentive Fund under the authority of section*  
10 *8111(d) of title 38, United States Code, shall remain avail-*  
11 *able until expended for any purpose authorized by section*  
12 *8111 of title 38, United States Code.*

13       *SEC. 5703. (a)(1) The Secretary of Veterans Affairs*  
14 *(referred to in this section as the “Secretary”) may convey*  
15 *to the State of Texas, without consideration, all rights, title,*  
16 *and interest of the United States in and to the parcel of*  
17 *real property comprising the location of the Marlin, Texas,*  
18 *Department of Veterans Affairs Medical Center.*

19       *(2) The property conveyed under paragraph (1) shall*  
20 *be used by the State of Texas for the purposes of a prison.*

21       *(b) In carrying out the conveyance under subsection*  
22 *(a), the Secretary shall conduct environmental cleanup on*  
23 *the parcel to be conveyed, at a cost not to exceed \$500,000,*  
24 *using amounts made available for environmental cleanup*  
25 *of sites under the jurisdiction of the Secretary.*

1       (c) *Nothing in this section may be construed to affect*  
2 *or limit the application of or obligation to comply with any*  
3 *environmental law, including section 120(h) of the Com-*  
4 *prehensive Environmental Response, Compensation, and*  
5 *Liability Act of 1980 (42 U.S.C. 9620(h)).*

6       SEC. 5704. (a) *Funds provided in this Act for the fol-*  
7 *lowing accounts shall be made available for programs under*  
8 *the conditions contained in the language of the joint explan-*  
9 *atory statement of managers accompanying the conference*  
10 *report on H.R. 1591 of the 110th Congress (H. Rept. 110-*  
11 *107):*

12               *“Medical Services”.*

13               *“Medical Administration”.*

14               *“Medical Facilities”.*

15               *“Medical and Prosthetic Research”.*

16               *“General Operating Expenses”.*

17               *“Information Technology Systems”.*

18               *“Construction, Minor Projects”.*

19       (b) *The Secretary of Veterans Affairs shall submit all*  
20 *reports requested in House Report 110–60 and Senate Re-*  
21 *port 110–37, to the Committees on Appropriations of both*  
22 *Houses of Congress.*

23       SEC. 5705. *Subsection (d) of section 2023 of title 38,*  
24 *United States Code, is amended by striking “shall cease”*

1 *and all that follows through “program” and inserting “shall*  
2 *cease on September 30, 2007”.*

## 3 **TITLE VI—OTHER MATTERS**

### 4 **CHAPTER 1**

#### 5 *DEPARTMENT OF AGRICULTURE*

#### 6 *FARM SERVICE AGENCY*

#### 7 *SALARIES AND EXPENSES*

8 *For an additional amount for “Salaries and Ex-*  
9 *penses” of the Farm Service Agency, \$37,500,000, to remain*  
10 *available until September 30, 2008: Provided, That this*  
11 *amount shall only be available for network and database/*  
12 *application stabilization.*

#### 13 *GENERAL PROVISIONS—THIS CHAPTER*

14 *SEC. 6101. Of the funds made available through appro-*  
15 *priations to the Food and Drug Administration for fiscal*  
16 *year 2007, not less than \$4,000,000 shall be for the Office*  
17 *of Women’s Health of such Administration.*

18 *SEC. 6102. None of the funds made available to the*  
19 *Department of Agriculture for fiscal year 2007 may be used*  
20 *to implement the risk-based inspection program in the 30*  
21 *prototype locations announced on February 22, 2007, by*  
22 *the Under Secretary for Food Safety, or at any other loca-*  
23 *tions, until the USDA Office of Inspector General has pro-*  
24 *vided its findings to the Food Safety and Inspection Service*  
25 *and the Committees on Appropriations of the House of Rep-*

1 *representatives and the Senate on the data used in support*  
2 *of the development and design of the risk-based inspection*  
3 *program and FSIS has addressed and resolved issues iden-*  
4 *tified by OIG.*

## 5 **CHAPTER 2**

### 6 **GENERAL PROVISIONS—THIS CHAPTER**

7 *SEC. 6201. Hereafter, Federal employees at the Na-*  
8 *tional Energy Technology Laboratory shall be classified as*  
9 *inherently governmental for the purpose of the Federal Ac-*  
10 *tivities Inventory Reform Act of 1998 (31 U.S.C. 501 note).*

11 *SEC. 6202. None of the funds made available under*  
12 *this or any other Act shall be used during fiscal year 2007*  
13 *to make, or plan or prepare to make, any payment on bonds*  
14 *issued by the Administrator of the Bonneville Power Ad-*  
15 *ministration (referred in this section as the “Adminis-*  
16 *trator”)* or for an appropriated Federal Columbia River  
17 *Power System investment, if the payment is both—*

18 *(1) greater, during any fiscal year, than the*  
19 *payments calculated in the rate hearing of the Ad-*  
20 *ministrator to be made during that fiscal year using*  
21 *the repayment method used to establish the rates of*  
22 *the Administrator as in effect on October 1, 2006; and*

23 *(2) based or conditioned on the actual or ex-*  
24 *pected net secondary power sales receipts of the Ad-*  
25 *ministrator.*

**CHAPTER 3**

1

**GENERAL PROVISIONS—THIS CHAPTER**

2

3       *SEC. 6301. (a) Section 102(a)(3)(B) of the Help Amer-*  
4 *ica Vote Act of 2002 (42 U.S.C. 15302(a)(3)(B)) is amended*  
5 *by striking “January 1, 2006” and inserting “March 1,*  
6 *2008”.*

7       *(b) The amendment made by subsection (a) shall take*  
8 *effect as if included in the enactment of the Help America*  
9 *Vote Act of 2002.*

10       *SEC. 6302. The structure of any of the offices or compo-*  
11 *nents within the Office of National Drug Control Policy*  
12 *shall remain as they were on October 1, 2006. None of the*  
13 *funds appropriated or otherwise made available in the Con-*  
14 *tinuing Appropriations Resolution, 2007 (Public Law 110–*  
15 *5) may be used to implement a reorganization of offices*  
16 *within the Office of National Drug Control Policy without*  
17 *the explicit approval of the Committees on Appropriations*  
18 *of the House of Representatives and the Senate.*

19       *SEC. 6303. From the amount provided by section*  
20 *21067 of the Continuing Appropriations Resolution, 2007*  
21 *(Public Law 110–5), the National Archives and Records*  
22 *Administration may obligate monies necessary to carry out*  
23 *the activities of the Public Interest Declassification Board.*

24       *SEC. 6304. Notwithstanding the notice requirement of*  
25 *the Transportation, Treasury, Housing and Urban Devel-*

1 *opment, the Judiciary, the District of Columbia, and Inde-*  
2 *pendent Agencies Appropriations Act, 2006, 119 Stat. 2509*  
3 *(Public Law 109–115), as continued in section 104 of the*  
4 *Continuing Appropriations Resolution, 2007 (Public Law*  
5 *110–5), the District of Columbia Courts may reallocate not*  
6 *more than \$1,000,000 of the funds provided for fiscal year*  
7 *2007 under the Federal Payment to the District of Colum-*  
8 *bia Courts for facilities among the items and entities funded*  
9 *under that heading for operations.*

10       *SEC. 6305. (a) Not later than 90 days after the date*  
11 *of enactment of this Act, the Secretary of the Treasury, in*  
12 *coordination with the Securities and Exchange Commission*  
13 *and in consultation with the Departments of State and En-*  
14 *ergy, shall prepare and submit to the Senate Committee on*  
15 *Appropriations, the House Committee on Appropriations,*  
16 *the Senate Committee on Banking, Housing, and Urban Af-*  
17 *airs, the House Committee on Financial Services, the Sen-*  
18 *ate Foreign Relations Committee, and the House Foreign*  
19 *Affairs Committee a written report, which may include a*  
20 *classified annex, containing the names of companies which*  
21 *either directly or through a parent or subsidiary company,*  
22 *including partly-owned subsidiaries, are known to conduct*  
23 *significant business operations in Sudan relating to nat-*  
24 *ural resource extraction, including oil-related activities and*  
25 *mining of minerals. The reporting provision shall not apply*



1 \$4,500,000 remains available for obligation in fiscal year  
2 2008, the Office of Inspector General shall hire additional  
3 staff for internal audits and investigations, and the remain-  
4 ing funds shall be for one-time associated needs such as in-  
5 formation technology and other such administrative sup-  
6 port.

7       SEC. 6307. Section 21073 of the Continuing Appro-  
8 priations Resolution, 2007 (Public Law 110–5) is amended  
9 by adding a new subsection (j) as follows:

10       “(j) Notwithstanding section 101, any appropriation  
11 or funds made available to the District of Columbia pursu-  
12 ant to this Act for ‘Federal Payment for Foster Care Im-  
13 provement in the District of Columbia’ shall be available  
14 in accordance with an expenditure plan submitted by the  
15 Mayor of the District of Columbia not later than 60 days  
16 after the enactment of this section which details the activi-  
17 ties to be carried out with such Federal Payment.”.

18       SEC. 6308. It is the sense of Congress that the Small  
19 Business Administration will provide, through funds avail-  
20 able within amounts already appropriated for Small Busi-  
21 ness Administration disaster assistance, physical and eco-  
22 nomic injury disaster loans to Kansas businesses and home-  
23 owners devastated by the severe tornadoes, storms, and  
24 flooding that occurred beginning on May 4, 2007.

**CHAPTER 4***DEPARTMENT OF HOMELAND SECURITY**GENERAL PROVISIONS—THIS CHAPTER*

*SEC. 6401. Not to exceed \$30,000,000 from unobligated balances remaining from prior appropriations for United States Coast Guard, “Retired Pay”, shall remain available until expended in the account and for the purposes for which the appropriations were provided, including the payment of obligations otherwise chargeable to lapsed or current appropriations for this purpose: Provided, That within 45 days after the date of enactment of this Act, the United States Coast Guard shall submit to the Committees on Appropriations of the Senate and the House of Representatives the following: (1) a report on steps being taken to improve the accuracy of its estimates for the “Retired Pay” appropriation; and (2) quarterly reports on the use of unobligated balances made available by this Act to address the projected shortfall in the “Retired Pay” appropriation, as well as updated estimates for fiscal year 2008.*

*SEC. 6402. (a) IN GENERAL.—Any contract, sub-contract, task or delivery order described in subsection (b) shall contain the following:*

*(1) A requirement for a technical review of all designs, design changes, and engineering change proposals, and a requirement to specifically address all*

1        *engineering concerns identified in the review before*  
2        *the obligation of further funds may occur.*

3                *(2) A requirement that the Coast Guard main-*  
4        *tain technical warrant holder authority, or the equiv-*  
5        *alent, for major assets.*

6                *(3) A requirement that no procurement subject to*  
7        *subsection (b) for lead asset production or the imple-*  
8        *mentation of a major design change shall be entered*  
9        *into unless an independent third party with no fi-*  
10        *nancial interest in the development, construction, or*  
11        *modification of any component of the asset, selected*  
12        *by the Commandant, determines that such action is*  
13        *advisable.*

14                *(4) A requirement for independent life-cycle cost*  
15        *estimates of lead assets and major design and engi-*  
16        *neering changes.*

17                *(5) A requirement for the measurement of con-*  
18        *tractor and subcontractor performance based on the*  
19        *status of all work performed. For contracts under the*  
20        *Integrated Deepwater Systems program, such require-*  
21        *ment shall include a provision that links award fees*  
22        *to successful acquisition outcomes (which shall be de-*  
23        *finied in terms of cost, schedule, and performance).*

24                *(6) A requirement that the Commandant of the*  
25        *Coast Guard assign an appropriate officer or em-*

1        *ployee of the Coast Guard to act as chair of each inte-*  
2        *grated product team and higher-level team assigned to*  
3        *the oversight of each integrated product team.*

4            (7) *A requirement that the Commandant of the*  
5        *Coast Guard may not award or issue any contract,*  
6        *task or delivery order, letter contract modification*  
7        *thereof, or other similar contract, for the acquisition*  
8        *or modification of an asset under a procurement sub-*  
9        *ject to subsection (b) unless the Coast Guard and the*  
10       *contractor concerned have formally agreed to all*  
11       *terms and conditions or the head of contracting activ-*  
12       *ity for the Coast Guard determines that a compelling*  
13       *need exists for the award or issue of such instrument.*

14       (b) *CONTRACTS, SUBCONTRACTS, TASK AND DELIVERY*  
15       *ORDERS COVERED.—Subsection (a) applies to—*

16            (1) *any major procurement contract, first-tier*  
17        *subcontract, delivery or task order entered into by the*  
18        *Coast Guard;*

19            (2) *any first-tier subcontract entered into under*  
20        *such a contract; and*

21            (3) *any task or delivery order issued pursuant to*  
22        *such a contract or subcontract.*

23       (c) *EXPENDITURE OF DEEPWATER FUNDS.—Of the*  
24       *funds available for the Integrated Deepwater Systems pro-*  
25       *gram, \$650,000,000 may not be obligated until the Commit-*

1 *tees on Appropriations of the Senate and the House of Rep-*  
2 *resentatives receive an expenditure plan directly from the*  
3 *Coast Guard that—*

4           (1) *defines activities, milestones, yearly costs,*  
5 *and life-cycle costs for each procurement of a major*  
6 *asset;*

7           (2) *identifies life-cycle staffing and training*  
8 *needs of Coast Guard project managers and of pro-*  
9 *curement and contract staff;*

10           (3) *identifies competition to be conducted in each*  
11 *procurement;*

12           (4) *describes procurement plans that do not rely*  
13 *on a single industry entity or contract;*

14           (5) *contains very limited indefinite delivery/in-*  
15 *definite quantity contracts and explains the need for*  
16 *any indefinite delivery/indefinite quantity contracts;*

17           (6) *complies with all applicable acquisition*  
18 *rules, requirements, and guidelines, and incorporates*  
19 *the best systems acquisition management practices of*  
20 *the Federal Government;*

21           (7) *complies with the capital planning and in-*  
22 *vestment control requirements established by the Of-*  
23 *fice of Management and Budget, including circular*  
24 *A-11, part 7;*

1           (8) includes a certification by the head of con-  
2           tracting activity for the Coast Guard and the Chief  
3           Procurement Officer of the Department of Homeland  
4           Security that the Coast Guard has established suffi-  
5           cient controls and procedures and has sufficient staff-  
6           ing to comply with all contracting requirements, and  
7           that any conflicts of interest have been sufficiently ad-  
8           dressed;

9           (9) includes a description of the process used to  
10          act upon deviations from the contractually specified  
11          performance requirements and clearly explains the ac-  
12          tions taken on such deviations;

13          (10) includes a certification that the Assistant  
14          Commandant of the Coast Guard for Engineering and  
15          Logistics is designated as the technical authority for  
16          all engineering, design, and logistics decisions per-  
17          taining to the Integrated Deepwater Systems pro-  
18          gram; and

19          (11) identifies progress in complying with the re-  
20          quirements of subsection (a).

21          (d) *REPORTS.*—(1) Not later than 30 days after the  
22          date of enactment of this Act, the Commandant of the Coast  
23          Guard shall submit to the Committees on Appropriations  
24          of the Senate and the House of Representatives; the Com-  
25          mittee on Commerce, Science and Transportation of the

1 *Senate; and the Committee on Transportation and Infra-*  
2 *structure of the House of Representatives: (i) a report on*  
3 *the resources (including training, staff, and expertise) re-*  
4 *quired by the Coast Guard to provide appropriate manage-*  
5 *ment and oversight of the Integrated Deepwater Systems*  
6 *program; and (ii) a report on how the Coast Guard will*  
7 *utilize full and open competition for any contract that pro-*  
8 *vides for the acquisition or modification of assets under,*  
9 *or in support of, the Integrated Deepwater Systems pro-*  
10 *gram, entered into after the date of enactment of this Act.*

11 *(2) Within 30 days following the submission of the ex-*  
12 *penditure plan required under subsection (c), the Govern-*  
13 *ment Accountability Office shall review the plan and brief*  
14 *the Committees on Appropriations of the Senate and the*  
15 *House of Representatives on its findings.*

16 *SEC. 6403. None of the funds provided in this Act or*  
17 *any other Act may be used to alter or reduce operations*  
18 *within the Civil Engineering Program of the Coast Guard*  
19 *nationwide, including the civil engineering units, facilities,*  
20 *design and construction centers, maintenance and logistics*  
21 *command centers, and the Coast Guard Academy, except*  
22 *as specifically authorized by a statute enacted after the date*  
23 *of enactment of this Act.*

24 *(INCLUDING RESCISSIONS OF FUNDS)*

25 *SEC. 6404. (a) RESCISSIONS.—The following unobli-*  
26 *gated balances made available pursuant to section 505 of*

1 *Public Law 109–90 are rescinded: \$1,200,962 from the “Of-*  
2 *fice of the Secretary and Executive Management”;* \$512,855  
3 *from the “Office of the Under Secretary for Management”;*  
4 *\$461,874 from the “Office of the Chief Information Officer”;*  
5 *\$45,080 from the “Office of the Chief Financial Officer”;*  
6 *\$968,211 from Preparedness “Management and Adminis-*  
7 *tration”;* \$1,215,486 *from Science and Technology “Man-*  
8 *agement and Administration”;* \$450,000 *from United*  
9 *States Secret Service “Salaries and Expenses”;* \$450,000  
10 *from Federal Emergency Management Agency “Adminis-*  
11 *trative and Regional Operations”;* and \$25,595,532 *from*  
12 *United States Coast Guard “Operating Expenses”.*

13 (b) *ADDITIONAL APPROPRIATIONS.—*

14 (1) *For an additional amount for United States*  
15 *Coast Guard “Acquisition, Construction, and Im-*  
16 *provements”, \$30,000,000, to remain available until*  
17 *September 30, 2009, to mitigate the Service’s patrol*  
18 *boat operational gap.*

19 (2) *For an additional amount for the “Office of*  
20 *the Under Secretary for Management”, \$900,000 for*  
21 *an independent study to compare the Department of*  
22 *Homeland Security senior career and political staff-*  
23 *ing levels and senior career training programs with*  
24 *those of similarly structured cabinet-level agencies as*  
25 *detailed in House Report 110–107: Provided, That the*

1        *Department of Homeland Security shall provide to*  
2        *the Committees on Appropriations of the Senate and*  
3        *the House of Representatives by July 20, 2007, a re-*  
4        *port on senior staffing, as detailed in Senate Report*  
5        *110–37, and the Government Accountability Office*  
6        *shall report on the strengths and weakness of this re-*  
7        *port within 90 days after its submission.*

8        *SEC. 6405. (a) IN GENERAL.—With respect to con-*  
9        *tracts entered into after July 1, 2007, and except as pro-*  
10       *vided in subsection (b), no entity performing lead system*  
11       *integrator functions in the acquisition of a major system*  
12       *by the Department of Homeland Security may have any*  
13       *direct financial interest in the development or construction*  
14       *of any individual system or element of any system of sys-*  
15       *tems.*

16       *(b) EXCEPTION.—An entity described in subsection (a)*  
17       *may have a direct financial interest in the development or*  
18       *construction of an individual system or element of a system*  
19       *of systems if—*

20                *(1) the Secretary of Homeland Security certifies*  
21        *to the Committees on Appropriations of the Senate*  
22        *and the House of Representatives, the Committee on*  
23        *Homeland Security of the House of Representatives,*  
24        *the Committee on Transportation and Infrastructure*  
25        *of the House of Representatives, the Committee on*

1 *Homeland Security and Governmental Affairs of the*  
2 *Senate, and the Committee on Commerce, Science and*  
3 *Transportation of the Senate that—*

4 *(A) the entity was selected by the Depart-*  
5 *ment of Homeland Security as a contractor to*  
6 *develop or construct the system or element con-*  
7 *cerned through the use of competitive procedures;*  
8 *and*

9 *(B) the Department took appropriate steps*  
10 *to prevent any organizational conflict of interest*  
11 *in the selection process; or*

12 *(2) the entity was selected by a subcontractor to*  
13 *serve as a lower-tier subcontractor, through a process*  
14 *over which the entity exercised no control.*

15 *(c) CONSTRUCTION.—Nothing in this section shall be*  
16 *construed to preclude an entity described in subsection (a)*  
17 *from performing work necessary to integrate two or more*  
18 *individual systems or elements of a system of systems with*  
19 *each other.*

20 *(d) REGULATIONS UPDATE.—Not later than July 1,*  
21 *2007, the Secretary of Homeland Security shall update the*  
22 *acquisition regulations of the Department of Homeland Se-*  
23 *curity in order to specify fully in such regulations the mat-*  
24 *ters with respect to lead system integrators set forth in this*  
25 *section. Included in such regulations shall be: (1) a precise*

1 *and comprehensive definition of the term “lead system inte-*  
2 *grator”, modeled after that used by the Department of De-*  
3 *fense; and (2) a specification of various types of contracts*  
4 *and fee structures that are appropriate for use by lead sys-*  
5 *tem integrators in the production, fielding, and*  
6 *sustainment of complex systems.*

## 7 **CHAPTER 5**

### 8 **GENERAL PROVISIONS—THIS CHAPTER**

9 *SEC. 6501. Section 20515 of the Continuing Appro-*  
10 *priations Resolution, 2007 (division B of Public Law 109–*  
11 *289, as amended by Public Law 110–5) is amended by in-*  
12 *serting before the period: “; and of which, not to exceed*  
13 *\$143,628,000 shall be available for contract support costs*  
14 *under the terms and conditions contained in Public Law*  
15 *109–54”.*

16 *SEC. 6502. Section 20512 of the Continuing Appro-*  
17 *priations Resolution, 2007 (division B of Public Law 109–*  
18 *289, as amended by Public Law 110–5) is amended by in-*  
19 *serting after the first dollar amount: “, of which not to ex-*  
20 *ceed \$7,300,000 shall be transferred to the ‘Indian Health*  
21 *Facilities’ account; the amount in the second proviso shall*  
22 *be \$18,000,000; the amount in the third proviso shall be*  
23 *\$525,099,000; the amount in the ninth proviso shall be*  
24 *\$269,730,000; and the \$15,000,000 allocation of funding*  
25 *under the eleventh proviso shall not be required”.*



## OFFICE OF THE DIRECTOR

## (TRANSFER OF FUNDS)

1  
2  
3       *Of the amount provided by the Continuing Appropria-*  
4 *tions Resolution, 2007 (division B of Public Law 109–289,*  
5 *as amended by Public Law 110–5) for “Office of the Direc-*  
6 *tor”, \$49,500,000 shall be transferred to “Public Health and*  
7 *Social Services Emergency Fund” to carry out activities*  
8 *relating to advanced research and development as provided*  
9 *by section 319L of the Public Health Service Act.*

## NATIONAL COUNCIL ON DISABILITY

## SALARIES AND EXPENSES

10  
11  
12       *For an additional amount for “Salaries and Ex-*  
13 *penses”, \$300,000, to remain available until expended, for*  
14 *necessary expenses related to the requirements of the Post-*  
15 *Katrina Emergency Management Reform Act of 2006, as*  
16 *enacted by the Department of Homeland Security Appro-*  
17 *priations Act, 2007 (Public Law 109–295).*

## GENERAL PROVISIONS—THIS CHAPTER

## (INCLUDING TRANSFERS OF FUNDS AND RESCISSIONS)

18  
19  
20       *SEC. 6601. Section 20602 of the Continuing Appro-*  
21 *priations Resolution, 2007 (division B of Public Law 109–*  
22 *289, as amended by Public Law 110–5) is amended by in-*  
23 *serting the following after “\$5,000,000”: “(together with an*  
24 *additional \$7,000,000 which shall be transferred by the*  
25 *Pension Benefit Guaranty Corporation as an authorized*

1 *administrative cost), to remain available through Sep-*  
2 *tember 30, 2008,”.*

3       *SEC. 6602. (a) None of the funds available to the Mine*  
4 *Safety and Health Administration under the Continuing*  
5 *Appropriations Resolution, 2007 (division B of Public Law*  
6 *109–289, as amended by Public Law 110–5) shall be used*  
7 *to enter into or carry out a contract for the performance*  
8 *by a contractor of any operations or services pursuant to*  
9 *the public-private competitions conducted under Office of*  
10 *Management and Budget Circular A–76.*

11       *(b) Hereafter, Federal employees at the Mine Safety*  
12 *and Health Administration shall be classified as inherently*  
13 *governmental for the purpose of the Federal Activities In-*  
14 *ventory Reform Act of 1998 (31 U.S.C. 501 note).*

15       *SEC. 6603. Section 20607 of the Continuing Appro-*  
16 *priations Resolution, 2007 (division B of Public Law 109–*  
17 *289, as amended by Public Law 110–5) is amended by in-*  
18 *serting “of which \$9,666,000 shall be for the Women’s Bu-*  
19 *reau,” after “for child labor activities,”.*

20       *SEC. 6604. Of the amount provided for “Department*  
21 *of Health and Human Services, Health Resources and Serv-*  
22 *ices Administration, Health Resources and Services” in the*  
23 *Continuing Appropriations Resolution, 2007 (division B of*  
24 *Public Law 109–289, as amended by Public Law 110–5),*  
25 *\$23,000,000 shall be for Poison Control Centers.*

1        *SEC. 6605. From the amounts made available by the*  
2 *Continuing Appropriations Resolution, 2007 (division B of*  
3 *Public Law 109–289, as amended by Public Law 110–5)*  
4 *for the Office of the Secretary, General Departmental Man-*  
5 *agement under the Department of Health and Human Serv-*  
6 *ices, \$500,000 are rescinded.*

7        *SEC. 6606. Section 20625(b)(1) of the Continuing Ap-*  
8 *propriations Resolution, 2007 (division B of Public Law*  
9 *109–289, as amended by Public Law 110–5) is amended*  
10 *by—*

11            (1) *striking “\$7,172,994,000” and inserting*  
12            *“\$7,176,431,000”;*

13            (2) *amending subparagraph (A) to read as fol-*  
14 *lows: “(A) \$5,454,824,000 shall be for basic grants*  
15 *under section 1124 of the Elementary and Secondary*  
16 *Education Act of 1965 (ESEA), of which up to*  
17 *\$3,437,000 shall be available to the Secretary of Edu-*  
18 *cation on October 1, 2006, to obtain annually up-*  
19 *dated educational-agency-level census poverty data*  
20 *from the Bureau of the Census;”;* and

21            (3) *amending subparagraph (C) to read as fol-*  
22 *lows: “(C) not to exceed \$2,352,000 may be available*  
23 *for section 1608 of the ESEA and for a clearinghouse*  
24 *on comprehensive school reform under part D of title*  
25 *V of the ESEA;”.*

1       *SEC. 6607. The provision in the first proviso under*  
2 *the heading “Rehabilitation Services and Disability Re-*  
3 *search” in the Department of Education Appropriations*  
4 *Act, 2006, relating to alternative financing programs under*  
5 *section 4(b)(2)(D) of the Assistive Technology Act of 1998*  
6 *shall not apply to funds appropriated by the Continuing*  
7 *Appropriations Resolution, 2007.*

8       *SEC. 6608. From the amounts made available by the*  
9 *Continuing Appropriations Resolution, 2007 (division B of*  
10 *Public Law 109–289, as amended by Public Law 110–5)*  
11 *for administrative expenses of the Department of Edu-*  
12 *cation, \$500,000 are rescinded: Provided, That such reduc-*  
13 *tion shall not apply to funds available to the Office for Civil*  
14 *Rights and the Office of the Inspector General.*

15       *SEC. 6609. Notwithstanding sections 20639 and 20640*  
16 *of the Continuing Appropriations Resolution, 2007, as*  
17 *amended by section 2 of the Revised Continuing Appropria-*  
18 *tions Resolution, 2007 (Public Law 110–5), the Chief Exec-*  
19 *utive Officer of the Corporation for National and Commu-*  
20 *nity Service may transfer an amount of not more than*  
21 *\$1,360,000 from the account under the heading “National*  
22 *and Community Service Programs, Operating Expenses”*  
23 *under the heading “Corporation for National and Commu-*  
24 *nity Service”, to the account under the heading “Salaries*

1 *and Expenses” under the heading “Corporation for Na-*  
2 *tional and Community Service”.*

3       *SEC. 6610. (a) Section 1310.12(a) of title 45, Code of*  
4 *Federal Regulations, shall take effect 30 days after the date*  
5 *of enactment of this Act.*

6       *(b)(1) Not later than 60 days after the National High-*  
7 *way Traffic Safety Administration of the Department of*  
8 *Transportation submits its study on occupant protection on*  
9 *Head Start transit vehicles (related to Government Ac-*  
10 *countability Office report GAO–06–767R), the Secretary of*  
11 *Health and Human Services shall review and shall revise*  
12 *as necessary the allowable alternate vehicle standards de-*  
13 *scribed in that part 1310 (or any corresponding similar*  
14 *regulation or ruling) relating to allowable alternate vehicles*  
15 *used to transport children for a Head Start program. In*  
16 *making any such revision, the Secretary shall revise the*  
17 *standards to be consistent with the findings contained in*  
18 *such study, including making a determination on the ex-*  
19 *emption of such a vehicle from Federal seat spacing require-*  
20 *ments, and Federal supporting seating requirements related*  
21 *to compartmentalization, if such vehicle meets all other ap-*  
22 *plicable Federal motor vehicle safety standards, including*  
23 *standards for seating systems, occupant crash protection,*  
24 *seat belt assemblies, and child restraint anchorage systems*

1 *consistent with that part 1310 (or any corresponding simi-*  
2 *lar regulation or ruling).*

3 *(2) Notwithstanding subsection (a), until such date as*  
4 *the Secretary of Health and Human Services completes the*  
5 *review and any necessary revision specified in paragraph*  
6 *(1), the provisions of section 1310.12(a) relating to Federal*  
7 *seat spacing requirements, and Federal supporting seating*  
8 *requirements related to compartmentalization, for allowable*  
9 *alternate vehicles used to transport children for a Head*  
10 *Start program, shall not apply to such a vehicle if such*  
11 *vehicle meets all other applicable Federal motor vehicle safe-*  
12 *ty standards, as described in paragraph (1).*

13 *SEC. 6611. (a)(1) Section 3(37)(G) of the Employee*  
14 *Retirement Income Security Act of 1974 (29 U.S.C.*  
15 *1002(37)(G)) (as amended by section 1106(a) of the Pension*  
16 *Protection Act of 2006) is amended—*

17 *(A) in clause (i)(II)(aa), by striking “for each of*  
18 *the 3 plan years immediately before the date of the*  
19 *enactment of the Pension Protection Act of 2006,”*  
20 *and inserting “for each of the 3 plan years imme-*  
21 *diately preceding the first plan year for which the*  
22 *election under this paragraph is effective with respect*  
23 *to the plan,”;*

24 *(B) in clause (ii), by striking “starting with the*  
25 *first plan year ending after the date of the enactment*

1       *of the Pension Protection Act of 2006” and inserting*  
2       *“starting with any plan year beginning on or after*  
3       *January 1, 1999, and ending before January 1, 2008,*  
4       *as designated by the plan in the election made under*  
5       *clause (i)(II)”;* and

6               *(C) by adding at the end the following new*  
7       *clause:*

8       *“(vii) For purposes of this Act and the Internal Rev-*  
9       *enue Code of 1986, a plan making an election under this*  
10       *subparagraph shall be treated as maintained pursuant to*  
11       *a collective bargaining agreement if a collective bargaining*  
12       *agreement, expressly or otherwise, provides for or permits*  
13       *employer contributions to the plan by one or more employ-*  
14       *ers that are signatory to such agreement, or participation*  
15       *in the plan by one or more employees of an employer that*  
16       *is signatory to such agreement, regardless of whether the*  
17       *plan was created, established, or maintained for such em-*  
18       *ployees by virtue of another document that is not a collec-*  
19       *tive bargaining agreement.”.*

20               *(2) Paragraph (6) of section 414(f) of the Internal Rev-*  
21       *enue Code of 1986 (relating to election with regard to multi-*  
22       *employer status) (as amended by section 1106(b) of the Pen-*  
23       *sion Protection Act of 2006) is amended—*

24               *(A) in subparagraph (A)(ii)(I), by striking “for*  
25       *each of the 3 plan years immediately before the date*

1 *of enactment of the Pension Protection Act of 2006,”*  
2 *and inserting “for each of the 3 plan years imme-*  
3 *diately preceding the first plan year for which the*  
4 *election under this paragraph is effective with respect*  
5 *to the plan,”;*

6 *(B) in subparagraph (B), by striking “starting*  
7 *with the first plan year ending after the date of the*  
8 *enactment of the Pension Protection Act of 2006” and*  
9 *inserting “starting with any plan year beginning on*  
10 *or after January 1, 1999, and ending before January*  
11 *1, 2008, as designated by the plan in the election*  
12 *made under subparagraph (A)(i)”;* and

13 *(C) by adding at the end the following new sub-*  
14 *paragraph:*

15 *“(F) MAINTENANCE UNDER COLLECTIVE*  
16 *BARGAINING AGREEMENT.—For purposes of this*  
17 *title and the Employee Retirement Income Secu-*  
18 *rity Act of 1974, a plan making an election*  
19 *under this paragraph shall be treated as main-*  
20 *tained pursuant to a collective bargaining agree-*  
21 *ment if a collective bargaining agreement, ex-*  
22 *pressly or otherwise, provides for or permits em-*  
23 *ployer contributions to the plan by one or more*  
24 *employers that are signatory to such agreement,*  
25 *or participation in the plan by one or more em-*

1            *ployees of an employer that is signatory to such*  
2            *agreement, regardless of whether the plan was*  
3            *created, established, or maintained for such em-*  
4            *ployees by virtue of another document that is not*  
5            *a collective bargaining agreement.”.*

6            *(b)(1) Clause (vi) of section 3(37)(G) of the Employee*  
7            *Retirement Income Security Act of 1974 (as amended by*  
8            *section 1106(a) of the Pension Protection Act of 2006) is*  
9            *amended by striking “if it is a plan—” and all that follows*  
10           *and inserting the following: “if it is a plan sponsored by*  
11           *an organization which is described in section 501(c)(5) of*  
12           *the Internal Revenue Code of 1986 and exempt from tax*  
13           *under section 501(a) of such Code and which was estab-*  
14           *lished in Chicago, Illinois, on August 12, 1881.”.*

15           *(2) Subparagraph (E) of section 414(f)(6) of the Inter-*  
16           *nal Revenue Code of 1986 (as amended by section 1106(b)*  
17           *of the Pension Protection Act of 2006) is amended by strik-*  
18           *ing “if it is a plan—” and all that follows and inserting*  
19           *the following: “if it is a plan sponsored by an organization*  
20           *which is described in section 501(c)(5) and exempt from*  
21           *tax under section 501(a) and which was established in Chi-*  
22           *cago, Illinois, on August 12, 1881.”.*

23           *(c) The amendments made by this section shall take*  
24           *effect as if included in section 1106 of the Pension Protec-*  
25           *tion Act of 2006.*

1        *SEC. 6612. (a) Subclause (III) of section*  
2 *420(f)(2)(E)(i) of the Internal Revenue Code of 1986 is*  
3 *amended by striking “subsection (c)(2)(E)(ii)(II)” and in-*  
4 *serting “subsection (c)(3)(E)(ii)(II)”.*

5        *(b) Section 420(e)(2)(B) of the Internal Revenue Code*  
6 *of 1986 is amended by striking “funding shortfall” and in-*  
7 *serting “funding target”.*

8        *(c) The amendments made by this section shall take*  
9 *effect as if included in the provisions of the Pension Protec-*  
10 *tion Act of 2006 to which they relate.*

11        *SEC. 6613. (a) Subparagraph (A) of section 420(c)(3)*  
12 *of the Internal Revenue Code of 1986 is amended by strik-*  
13 *ing “transfer.” and inserting “transfer or, in the case of*  
14 *a transfer which involves a plan maintained by an em-*  
15 *ployer described in subsection (f)(2)(E)(i)(III), if the plan*  
16 *meets the requirements of subsection (f)(2)(D)(i)(II).”.*

17        *(b) The amendment made by subsection (a) shall apply*  
18 *to transfers after the date of the enactment of this Act.*

19        *SEC. 6614. (a) Section 402(i)(1) of the Pension Protec-*  
20 *tion Act of 2006 is amended by striking “December 28,*  
21 *2007” and inserting “January 1, 2008”.*

22        *(b) The amendment made by subsection (a) shall take*  
23 *effect as if included in section 402 of the Pension Protection*  
24 *Act of 2006.*



1 “Chief Executive Officer”), who shall be appointed by the  
2 Architect of the Capitol.

3 (b) The Chief Executive Officer shall be responsible for  
4 the operation and management of the Capitol Visitor Cen-  
5 ter, subject to the direction of the Architect of the Capitol.  
6 In carrying out these responsibilities, the Chief Executive  
7 Officer shall report directly to the Architect of the Capitol  
8 and shall be subject to policy review and oversight by the  
9 Committee on Rules and Administration of the Senate and  
10 the Committee on House Administration of the House of  
11 Representatives.

12 (c) The Chief Executive Officer shall be paid at an an-  
13 nual rate equal to the annual rate of pay for the Chief Oper-  
14 ating Officer of the Office of the Architect of the Capitol.

15 (d) This section shall apply with respect to fiscal year  
16 2007 and each succeeding fiscal year.

## 17 **CHAPTER 8**

### 18 **GENERAL PROVISIONS—THIS CHAPTER**

#### 19 **TECHNICAL AMENDMENT**

20 **SEC. 6801.** (a) Notwithstanding any other provision  
21 of law, subsection (c) under the heading “Assistance for the  
22 Independent States of the Former Soviet Union” in Public  
23 Law 109–102, shall not apply to funds appropriated by the  
24 Continuing Appropriations Resolution, 2007 (Public Law

1 109–289, *division B*) as amended by Public Laws 109–369,  
2 109–383, and 110–5.

3 (b) Section 534(k) of the *Foreign Operations, Export*  
4 *Financing, and Related Programs Appropriations Act,*  
5 2006 (Public Law 109–102) is amended, in the second pro-  
6 viso, by inserting after “subsection (b) of that section” the  
7 following: “and the requirement that a majority of the  
8 members of the board of directors be United States citizens  
9 provided in subsection (d)(3)(B) of that section”.

10 (c) Subject to section 101(c)(2) of the *Continuing Ap-*  
11 *propriations Resolution, 2007 (division B of Public Law*  
12 *109–289, as amended by Public Law 110–5), the amount*  
13 *of funds appropriated for “Foreign Military Financing*  
14 *Program” pursuant to such Resolution shall be construed*  
15 *to be the total of the amount appropriated for such program*  
16 *by section 20401 of that Resolution and the amount made*  
17 *available for such program by section 591 of the Foreign*  
18 *Operations, Export Financing, and Related Programs Ap-*  
19 *propriations Act, 2006 (Public Law 109–102) which is*  
20 *made applicable to the fiscal year 2007 by the provisions*  
21 *of such Resolution.*

22 SEC. 6802. Notwithstanding any provision of title I  
23 of *division B of the Continuing Appropriations Resolution,*  
24 2007 (*division B of Public Law 109–289, as amended by*  
25 *Public Laws 109–369, 109–383, and 110–5), the dollar*

1 *amount limitation of the first proviso under the heading,*  
 2 *“Administration of Foreign Affairs, Diplomatic and Con-*  
 3 *sular Programs”, in title IV of the Science, State, Justice,*  
 4 *Commerce, and Related Agencies Appropriations Act, 2006*  
 5 *(Public Law 109–108; 119 Stat. 2319) shall not apply to*  
 6 *funds appropriated under such heading for fiscal year 2007.*

7 **CHAPTER 9**

8 *DEPARTMENT OF HOUSING AND URBAN*

9 *DEVELOPMENT*

10 *OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT*

11 *SALARIES AND EXPENSES*

12 *(INCLUDING TRANSFER OF FUNDS)*

13 *For an additional amount to carry out the Federal*  
 14 *Housing Enterprises Financial Safety and Soundness Act*  
 15 *of 1992, \$6,150,000, to remain available until expended, to*  
 16 *be derived from the Federal Housing Enterprises Oversight*  
 17 *Fund and to be subject to the same terms and conditions*  
 18 *pertaining to funds provided under this heading in Public*  
 19 *Law 109–115: Provided, That not to exceed the total*  
 20 *amount provided for these activities for fiscal year 2007*  
 21 *shall be available from the general fund of the Treasury to*  
 22 *the extent necessary to incur obligations and make expendi-*  
 23 *tures pending the receipt of collections to the Fund: Pro-*  
 24 *vided further, That the general fund amount shall be re-*  
 25 *duced as collections are received during the fiscal year so*

1 *as to result in a final appropriation from the general fund*  
2 *estimated at not more than \$0.*

3 **GENERAL PROVISIONS—THIS CHAPTER**

4 *SEC. 6901. (a) Hereafter, funds limited or appro-*  
5 *riated for the Department of Transportation may be obli-*  
6 *gated or expended to grant authority to a Mexico-domiciled*  
7 *motor carrier to operate beyond United States municipali-*  
8 *ties and commercial zones on the United States-Mexico bor-*  
9 *der only to the extent that—*

10 *(1) granting such authority is first tested as part*  
11 *of a pilot program;*

12 *(2) such pilot program complies with the re-*  
13 *quirements of section 350 of Public Law 107–87 and*  
14 *the requirements of section 31315(c) of title 49,*  
15 *United States Code, related to pilot programs; and*

16 *(3) simultaneous and comparable authority to*  
17 *operate within Mexico is made available to motor car-*  
18 *riers domiciled in the United States.*

19 *(b) Prior to the initiation of the pilot program de-*  
20 *scribed in subsection (a) in any fiscal year—*

21 *(1) the Inspector General of the Department of*  
22 *Transportation shall transmit to Congress and the*  
23 *Secretary of Transportation a report verifying com-*  
24 *pliance with each of the requirements of subsection (a)*  
25 *of section 350 of Public Law 107–87, including*

1 *whether the Secretary of Transportation has estab-*  
2 *lished sufficient mechanisms to apply Federal motor*  
3 *carrier safety laws and regulations to motor carriers*  
4 *domiciled in Mexico that are granted authority to op-*  
5 *erate beyond the United States municipalities and*  
6 *commercial zones on the United States-Mexico border*  
7 *and to ensure compliance with such laws and regula-*  
8 *tions; and*

9 *(2) the Secretary of Transportation shall—*

10 *(A) take such action as may be necessary to*  
11 *address any issues raised in the report of the In-*  
12 *spector General under subsection (b)(1) and sub-*  
13 *mit a report to Congress detailing such actions;*  
14 *and*

15 *(B) publish in the Federal Register, and*  
16 *provide sufficient opportunity for public notice*  
17 *and comment—*

18 *(i) comprehensive data and informa-*  
19 *tion on the pre-authorization safety audits*  
20 *conducted before and after the date of enact-*  
21 *ment of this Act of motor carriers domiciled*  
22 *in Mexico that are granted authority to op-*  
23 *erate beyond the United States municipali-*  
24 *ties and commercial zones on the United*  
25 *States-Mexico border;*

1           (ii) *specific measures to be required to*  
2           *protect the health and safety of the public,*  
3           *including enforcement measures and pen-*  
4           *alties for noncompliance;*

5           (iii) *specific measures to be required to*  
6           *ensure compliance with section 391.11(b)(2)*  
7           *and section 365.501(b) of title 49, Code of*  
8           *Federal Regulations;*

9           (iv) *specific standards to be used to*  
10          *evaluate the pilot program and compare*  
11          *any change in the level of motor carrier*  
12          *safety as a result of the pilot program; and*

13          (v) *a list of Federal motor carrier safe-*  
14          *ty laws and regulations, including the com-*  
15          *mercial drivers license requirements, for*  
16          *which the Secretary of Transportation will*  
17          *accept compliance with a corresponding*  
18          *Mexican law or regulation as the equivalent*  
19          *to compliance with the United States law or*  
20          *regulation, including for each law or regu-*  
21          *lation an analysis as to how the cor-*  
22          *responding United States and Mexican laws*  
23          *and regulations differ.*

24          (c) *During and following the pilot program described*  
25          *in subsection (a), the Inspector General of the Department*

1 *of Transportation shall monitor and review the conduct of*  
2 *the pilot program and submit to Congress and the Secretary*  
3 *of Transportation an interim report, 6 months after the*  
4 *commencement of the pilot program, and a final report,*  
5 *within 60 days after the conclusion of the pilot program.*  
6 *Such reports shall address whether—*

7           (1) *the Secretary of Transportation has estab-*  
8 *lished sufficient mechanisms to determine whether the*  
9 *pilot program is having any adverse effects on motor*  
10 *carrier safety;*

11           (2) *Federal and State monitoring and enforce-*  
12 *ment activities are sufficient to ensure that partici-*  
13 *pants in the pilot program are in compliance with all*  
14 *applicable laws and regulations; and*

15           (3) *the pilot program consists of a representative*  
16 *and adequate sample of Mexico-domiciled carriers*  
17 *likely to engage in cross-border operations beyond*  
18 *United States municipalities and commercial zones*  
19 *on the United States-Mexico border.*

20           (d) *In the event that the Secretary of Transportation*  
21 *in any fiscal year seeks to grant operating authority for*  
22 *the purpose of initiating cross-border operations beyond*  
23 *United States municipalities and commercial zones on the*  
24 *United States-Mexico border either with Mexico-domiciled*  
25 *motor coaches or Mexico-domiciled commercial motor vehi-*

1 *cles carrying placardable quantities of hazardous materials,*  
2 *such activities shall be initiated only after the conclusion*  
3 *of a separate pilot program limited to vehicles of the perti-*  
4 *nent type. Each such separate pilot program shall follow*  
5 *the same requirements and processes stipulated under sub-*  
6 *sections (a) through (c) of this section and shall be planned,*  
7 *conducted and evaluated in concert with the Department*  
8 *of Homeland Security or its Inspector General, as appro-*  
9 *priate, so as to address any and all security concerns associ-*  
10 *ated with such cross-border operations.*

11 *SEC. 6902. Funds provided for the “National Trans-*  
12 *portation Safety Board, Salaries and Expenses” in section*  
13 *21031 of the Continuing Appropriations Resolution, 2007*  
14 *(division B of Public Law 109–289, as amended by Public*  
15 *Law 110–5) include amounts necessary to make lease pay-*  
16 *ments due in fiscal year 2007 only, on an obligation in-*  
17 *curred in 2001 under a capital lease.*

18 *SEC. 6903. Section 21033 of the Continuing Appro-*  
19 *priations Resolution, 2007 (division B of Public Law 109–*  
20 *289, as amended by Public Law 110–5) is amended by add-*  
21 *ing after the second proviso: “: Provided further, That para-*  
22 *graph (2) under such heading in Public Law 109–115 (119*  
23 *Stat. 2441) shall be funded at \$149,300,000, but additional*  
24 *section 8 tenant protection rental assistance costs may be*  
25 *funded in 2007 by using unobligated balances, notwith-*

1 *standing the purposes for which such amounts were appro-*  
2 *priated, including recaptures and carryover, remaining*  
3 *from funds appropriated to the Department of Housing and*  
4 *Urban Development under this heading, the heading ‘An-*  
5 *nual Contributions for Assisted Housing’, the heading*  
6 *‘Housing Certificate Fund’, and the heading ‘Project-Based*  
7 *Rental Assistance’ for fiscal year 2006 and prior fiscal*  
8 *years: Provided further, That paragraph (3) under such*  
9 *heading in Public Law 109–115 (119 Stat. 2441) shall be*  
10 *funded at \$47,500,000: Provided further, That paragraph*  
11 *(4) under such heading in Public Law 109–115 (119 Stat.*  
12 *2441) shall be funded at \$5,900,000: Provided further, That*  
13 *paragraph (5) under such heading in Public Law 109–115*  
14 *(119 Stat. 2441) shall be funded at \$1,281,100,000, of which*  
15 *\$1,251,100,000 shall be allocated for the calendar year 2007*  
16 *funding cycle on a pro rata basis to public housing agencies*  
17 *based on the amount public housing agencies were eligible*  
18 *to receive in calendar year 2006, and of which up to*  
19 *\$30,000,000 shall be available to the Secretary to allocate*  
20 *to public housing agencies that need additional funds to ad-*  
21 *minister their section 8 programs, with up to \$20,000,000*  
22 *to be for fees associated with section 8 tenant protection*  
23 *rental assistance”.*

24       *SEC. 6904. Section 232(b) of the Departments of Vet-*  
25 *erans Affairs and Housing and Urban Development, and*

1 *Independent Agencies Appropriations Act, 2001 (Public*  
 2 *Law 106–377) is amended to read as follows:*

3       “(b) *APPLICABILITY.—In the case of any dwelling unit*  
 4 *that, upon the date of the enactment of this Act, is assisted*  
 5 *under a housing assistance payment contract under section*  
 6 *8(o)(13) as in effect before such enactment, or under section*  
 7 *8(d)(2) of the United States Housing Act of 1937 (42 U.S.C.*  
 8 *1437f(d)(2)) as in effect before the enactment of the Quality*  
 9 *Housing and Work Responsibility Act of 1998 (title V of*  
 10 *Public Law 105–276), assistance may be renewed or ex-*  
 11 *tended under such section 8(o)(13), as amended by sub-*  
 12 *section (a), provided that the initial contract term and rent*  
 13 *of such renewed or extended assistance shall be determined*  
 14 *pursuant to subparagraphs (F) and (H), and subpara-*  
 15 *graphs (C) and (D) of such section shall not apply to such*  
 16 *extensions or renewals.”.*

17 **TITLE VII—ELIMINATION OF**  
 18 **SCHIP SHORTFALL AND**  
 19 **OTHER HEALTH MATTERS**

20 *DEPARTMENT OF HEALTH AND HUMAN*  
 21 *SERVICES*

22 *CENTERS FOR MEDICARE AND MEDICAID SERVICES STATE*  
 23 *CHILDREN’S HEALTH INSURANCE FUND*

24 *For an additional amount to provide additional allot-*  
 25 *ments to remaining shortfall States under section*

1 2104(h)(4) of the Social Security Act, as inserted by section  
 2 6001, such sums as may be necessary, but not to exceed  
 3 \$650,000,000 for fiscal year 2007, to remain available until  
 4 expended.

5 **GENERAL PROVISIONS—THIS TITLE**

6 **SEC. 7001. (a) ELIMINATION OF REMAINDER OF**  
 7 **SCHIP FUNDING SHORTFALLS, TIERED MATCH, AND**  
 8 **OTHER LIMITATION ON EXPENDITURES.**—Section 2104(h)  
 9 of the Social Security Act (42 U.S.C. 1397dd(h)), as added  
 10 by section 201(a) of the National Institutes of Health Re-  
 11 form Act of 2006 (Public Law 109–482), is amended—

12 (1) in the heading for paragraph (2), by striking  
 13 “REMAINDER OF REDUCTION” and inserting “PART”;  
 14 and

15 (2) by striking paragraph (4) and inserting the  
 16 following:

17 “(4) **ADDITIONAL AMOUNTS TO ELIMINATE RE-**  
 18 **MAINDER OF FISCAL YEAR 2007 FUNDING SHORT-**  
 19 **FALLS.**—

20 “(A) **IN GENERAL.**—From the amounts pro-  
 21 vided in advance in appropriations Acts, the  
 22 Secretary shall allot to each remaining shortfall  
 23 State described in subparagraph (B) such  
 24 amount as the Secretary determines will elimi-

1           nate the estimated shortfall described in such  
2           subparagraph for the State for fiscal year 2007.

3           “(B) *REMAINING SHORTFALL STATE DE-*  
4           *SCRIBED.—For purposes of subparagraph (A), a*  
5           *remaining shortfall State is a State with a State*  
6           *child health plan approved under this title for*  
7           *which the Secretary estimates, on the basis of the*  
8           *most recent data available to the Secretary as of*  
9           *the date of the enactment of this paragraph, that*  
10          *the projected Federal expenditures under such*  
11          *plan for the State for fiscal year 2007 will exceed*  
12          *the sum of—*

13                 “(i) *the amount of the State’s allot-*  
14                 *ments for each of fiscal years 2005 and*  
15                 *2006 that will not be expended by the end*  
16                 *of fiscal year 2006;*

17                 “(ii) *the amount of the State’s allot-*  
18                 *ment for fiscal year 2007; and*

19                 “(iii) *the amounts, if any, that are to*  
20                 *be redistributed to the State during fiscal*  
21                 *year 2007 in accordance with paragraphs*  
22                 *(1) and (2).”.*

23          (b) *CONFORMING AMENDMENTS.—Section 2104(h) of*  
24          *such Act (42 U.S.C. 1397dd(h)) (as so added), is amend-*  
25          *ed—*

1           (1) in paragraph (1)(B), by striking “subject to  
2 paragraph (4)(B) and”;

3           (2) in paragraph (2)(B), by striking “subject to  
4 paragraph (4)(B) and”;

5           (3) in paragraph (5)(A), by striking “and (3)”  
6 and inserting “(3), and (4)”; and

7           (4) in paragraph (6)—

8                 (A) in the first sentence—

9                         (i) by inserting “or allotted” after “re-  
10 distributed”; and

11                        (ii) by inserting “or allotments” after  
12 “redistributions”; and

13                 (B) by striking “and (3)” and inserting  
14 “(3), and (4)”.

15         SEC. 7002. (a) PROHIBITION.—

16                 (1) LIMITATION ON SECRETARIAL AUTHORITY.—

17         Notwithstanding any other provision of law, the Sec-  
18         retary of Health and Human Services shall not, prior  
19         to the date that is 1 year after the date of enactment  
20         of this Act, take any action (through promulgation of  
21         regulation, issuance of regulatory guidance, or other  
22         administrative action) to—

23                 (A) finalize or otherwise implement provi-  
24                 sions contained in the proposed rule published  
25                 on January 18, 2007, on pages 2236 through

1           2248 of volume 72, *Federal Register* (relating to  
2           parts 433, 447, and 457 of title 42, *Code of Fed-*  
3           *eral Regulations*);

4           (B) promulgate or implement any rule or  
5           provisions similar to the provisions described in  
6           subparagraph (A) pertaining to the Medicaid  
7           program established under title XIX of the *Social*  
8           *Security Act* or the *State Children's Health In-*  
9           *surance Program* established under title XXI of  
10          such Act; or

11          (C) promulgate or implement any rule or  
12          provisions restricting payments for graduate  
13          medical education under the Medicaid program.

14          (2) *CONTINUATION OF OTHER SECRETARIAL AU-*  
15          *THORITY.*—The Secretary of Health and Human  
16          Service shall not be prohibited during the period de-  
17          scribed in paragraph (1) from taking any action  
18          (through promulgation of regulation, issuance of regu-  
19          latory guidance, or other administrative action) to  
20          enforce a provision of law in effect as of the date of  
21          enactment of this Act with respect to the Medicaid  
22          program or the *State Children's Health Insurance*  
23          *Program*, or to promulgate or implement a new rule  
24          or provision during such period with respect to such  
25          programs, other than a rule or provision described in

1 paragraph (1) and subject to the prohibition set forth  
2 in that paragraph.

3 (b) *REQUIREMENT FOR USE OF TAMPER-RESISTANT*  
4 *PRESCRIPTION PADS UNDER THE MEDICAID PROGRAM.*—

5 (1) *IN GENERAL.*—Section 1903(i) of the Social  
6 Security Act (42 U.S.C. 1396b(i)) is amended—

7 (A) by striking “or” at the end of para-  
8 graph (21);

9 (B) by striking the period at the end of  
10 paragraph (22) and inserting “; or”; and

11 (C) by inserting after paragraph (22) the  
12 following new paragraph:

13 “(23) with respect to amounts expended for med-  
14 ical assistance for covered outpatient drugs (as de-  
15 fined in section 1927(k)(2)) for which the prescription  
16 was executed in written (and non-electronic) form un-  
17 less the prescription was executed on a tamper-resist-  
18 ant pad.”.

19 (2) *EFFECTIVE DATE.*—The amendments made  
20 by paragraph (1) shall apply to prescriptions exe-  
21 cuted after September 30, 2007.

22 (c) *EXTENSION OF CERTAIN PHARMACY PLUS WAIV-*  
23 *ERS.*—

24 (1) *AUTHORITY TO CONTINUE TO OPERATE WAIV-*  
25 *ERS.*—Notwithstanding any other provision of law,

1     *any State that is operating a Pharmacy Plus waiver*  
 2     *described in paragraph (2) which would otherwise ex-*  
 3     *pire on June 30, 2007, may elect to continue to oper-*  
 4     *ate the waiver through December 31, 2009, and if a*  
 5     *State elects to continue to operate such a waiver, the*  
 6     *Secretary of Health and Human Services shall ap-*  
 7     *prove the continuation of the waiver through Decem-*  
 8     *ber 31, 2009.*

9             (2) *PHARMACY PLUS WAIVER DESCRIBED.—For*  
 10     *purposes of paragraph (1), a Pharmacy Plus waiver*  
 11     *described in this paragraph is a waiver approved by*  
 12     *the Secretary of Health and Human Services under*  
 13     *the authority of section 1115 of the Social Security*  
 14     *Act (42 U.S.C. 1315) that provides coverage for pre-*  
 15     *scription drugs for individuals who have attained age*  
 16     *65 and whose family income does not exceed 200 per-*  
 17     *cent of the poverty line (as defined in section*  
 18     *2110(c)(5) of such Act (42 U.S.C. 1397jj(c)(5))).*

19             **TITLE VIII—FAIR MINIMUM**  
 20             **WAGE AND TAX RELIEF**

21             **Subtitle A—Fair Minimum Wage**

22     **SEC. 8101. SHORT TITLE.**

23             *This subtitle may be cited as the “Fair Minimum*  
 24     *Wage Act of 2007”.*

1 **SEC. 8102. MINIMUM WAGE.**

2       (a) *IN GENERAL.*—Section 6(a)(1) of the Fair Labor  
3 *Standards Act of 1938 (29 U.S.C. 206(a)(1))* is amended  
4 *to read as follows:*

5               “(1) *except as otherwise provided in this section,*  
6 *not less than—*

7                       “(A) *\$5.85 an hour, beginning on the 60th*  
8 *day after the date of enactment of the Fair Min-*  
9 *imum Wage Act of 2007;*

10                      “(B) *\$6.55 an hour, beginning 12 months*  
11 *after that 60th day; and*

12                      “(C) *\$7.25 an hour, beginning 24 months*  
13 *after that 60th day;”.*

14       (b) *EFFECTIVE DATE.*—*The amendment made by sub-*  
15 *section (a) shall take effect 60 days after the date of enact-*  
16 *ment of this Act.*

17 **SEC. 8103. APPLICABILITY OF MINIMUM WAGE TO AMER-**  
18 **ICAN SAMOA AND THE COMMONWEALTH OF**  
19 **THE NORTHERN MARIANA ISLANDS.**

20       (a) *IN GENERAL.*—*Section 6 of the Fair Labor Stand-*  
21 *ards Act of 1938 (29 U.S.C. 206) shall apply to American*  
22 *Samoa and the Commonwealth of the Northern Mariana*  
23 *Islands.*

24       (b) *TRANSITION.*—*Notwithstanding subsection (a)—*

25               (1) *the minimum wage applicable to the Com-*  
26 *monwealth of the Northern Mariana Islands under*

1 *section 6(a)(1) of the Fair Labor Standards Act of*  
2 *1938 (29 U.S.C. 206(a)(1)) shall be—*

3 *(A) \$3.55 an hour, beginning on the 60th*  
4 *day after the date of enactment of this Act; and*

5 *(B) increased by \$0.50 an hour (or such*  
6 *lesser amount as may be necessary to equal the*  
7 *minimum wage under section 6(a)(1) of such*  
8 *Act), beginning 1 year after the date of enact-*  
9 *ment of this Act and each year thereafter until*  
10 *the minimum wage applicable to the Common-*  
11 *wealth of the Northern Mariana Islands under*  
12 *this paragraph is equal to the minimum wage*  
13 *set forth in such section; and*

14 *(2) the minimum wage applicable to American*  
15 *Samoa under section 6(a)(1) of the Fair Labor*  
16 *Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall*  
17 *be—*

18 *(A) the applicable wage rate in effect for*  
19 *each industry and classification under section*  
20 *697 of title 29, Code of Federal Regulations, on*  
21 *the date of enactment of this Act;*

22 *(B) increased by \$0.50 an hour, beginning*  
23 *on the 60th day after the date of enactment of*  
24 *this Act; and*

1           (C) increased by \$0.50 an hour (or such  
2           lesser amount as may be necessary to equal the  
3           minimum wage under section 6(a)(1) of such  
4           Act), beginning 1 year after the date of enact-  
5           ment of this Act and each year thereafter until  
6           the minimum wage applicable to American  
7           Samoa under this paragraph is equal to the  
8           minimum wage set forth in such section.

9           (c) *CONFORMING AMENDMENTS.*—

10           (1) *IN GENERAL.*—*The Fair Labor Standards*  
11           *Act of 1938 is amended—*

12                     (A) *by striking sections 5 and 8; and*

13                     (B) *in section 6(a), by striking paragraph*  
14                     *(3) and redesignating paragraphs (4) and (5) as*  
15                     *paragraphs (3) and (4), respectively.*

16           (2) *EFFECTIVE DATE.*—*The amendments made*  
17           *by this subsection shall take effect 60 days after the*  
18           *date of enactment of this Act.*

19           **SEC. 8104. STUDY ON PROJECTED IMPACT.**

20           (a) *STUDY.*—*Beginning on the date that is 60 days*  
21           *after the date of enactment of this Act, the Secretary of*  
22           *Labor shall, through the Bureau of Labor Statistics, con-*  
23           *duct a study to—*

24                     (1) *assess the impact of the wage increases re-*  
25                     *quired by this Act through such date; and*

1           (2) *project the impact of any further wage in-*  
 2           *crease,*  
 3           *on living standards and rates of employment in American*  
 4           *Samoa and the Commonwealth of the Northern Mariana*  
 5           *Islands.*

6           (b) *REPORT.*—*Not later than the date that is 8 months*  
 7           *after the date of enactment of this Act, the Secretary of*  
 8           *Labor shall transmit to Congress a report on the findings*  
 9           *of the study required by subsection (a).*

10           ***Subtitle B—Small Business Tax***  
 11                                   ***Incentives***

12           ***SEC. 8201. SHORT TITLE; AMENDMENT OF CODE; TABLE OF***  
 13                                   ***CONTENTS.***

14           (a) *SHORT TITLE.*—*This subtitle may be cited as the*  
 15           *“Small Business and Work Opportunity Tax Act of 2007”.*

16           (b) *AMENDMENT OF 1986 CODE.*—*Except as otherwise*  
 17           *expressly provided, whenever in this subtitle an amendment*  
 18           *or repeal is expressed in terms of an amendment to, or re-*  
 19           *peal of, a section or other provision, the reference shall be*  
 20           *considered to be made to a section or other provision of the*  
 21           *Internal Revenue Code of 1986.*

22           (c) *TABLE OF CONTENTS.*—*The table of contents of this*  
 23           *subtitle is as follows:*

*Sec. 8201. Short title; amendment of Code; table of contents.*

## PART 1—SMALL BUSINESS TAX RELIEF PROVISIONS

## SUBPART A—GENERAL PROVISIONS

- Sec. 8211. Extension and modification of work opportunity tax credit.*
- Sec. 8212. Extension and increase of expensing for small business.*
- Sec. 8213. Determination of credit for certain taxes paid with respect to employee cash tips.*
- Sec. 8214. Waiver of individual and corporate alternative minimum tax limits on work opportunity credit and credit for taxes paid with respect to employee cash tips.*
- Sec. 8215. Family business tax simplification.*

## SUBPART B—GULF OPPORTUNITY ZONE TAX INCENTIVES

- Sec. 8221. Extension of increased expensing for qualified section 179 Gulf Opportunity Zone property.*
- Sec. 8222. Extension and expansion of low-income housing credit rules for buildings in the GO Zones.*
- Sec. 8223. Special tax-exempt bond financing rule for repairs and reconstructions of residences in the GO Zones.*
- Sec. 8224. GAO study of practices employed by State and local governments in allocating and utilizing tax incentives provided pursuant to the Gulf Opportunity Zone Act of 2005.*

## SUBPART C—SUBCHAPTER S PROVISIONS

- Sec. 8231. Capital gain of S corporation not treated as passive investment income.*
- Sec. 8232. Treatment of bank director shares.*
- Sec. 8233. Special rule for bank required to change from the reserve method of accounting on becoming S corporation.*
- Sec. 8234. Treatment of the sale of interest in a qualified subchapter S subsidiary.*
- Sec. 8235. Elimination of all earnings and profits attributable to pre-1983 years for certain corporations.*
- Sec. 8236. Deductibility of interest expense on indebtedness incurred by an electing small business trust to acquire S corporation stock.*

## PART 2—REVENUE PROVISIONS

- Sec. 8241. Increase in age of children whose unearned income is taxed as if parent's income.*
- Sec. 8242. Suspension of certain penalties and interest.*
- Sec. 8243. Modification of collection due process procedures for employment tax liabilities.*
- Sec. 8244. Permanent extension of IRS user fees.*
- Sec. 8245. Increase in penalty for bad checks and money orders.*
- Sec. 8246. Understatement of taxpayer liability by return preparers.*
- Sec. 8247. Penalty for filing erroneous refund claims.*
- Sec. 8248. Time for payment of corporate estimated taxes.*

1           **PART 1—SMALL BUSINESS TAX RELIEF**

2                           **PROVISIONS**

3                                   **Subpart A—General Provisions**

4   **SEC. 8211. EXTENSION AND MODIFICATION OF WORK OP-**  
5                           **PORTUNITY TAX CREDIT.**

6           (a) *EXTENSION.*—Section 51(c)(4)(B) (relating to ter-  
7   mination) is amended by striking “December 31, 2007” and  
8   inserting “August 31, 2011”.

9           (b) *INCREASE IN MAXIMUM AGE FOR DESIGNATED*  
10 *COMMUNITY RESIDENTS.*—

11                   (1) *IN GENERAL.*—Paragraph (5) of section  
12   51(d) is amended to read as follows:

13                           “(5) *DESIGNATED COMMUNITY RESIDENTS.*—

14                                   “(A) *IN GENERAL.*—The term ‘designated  
15   community resident’ means any individual who  
16   is certified by the designated local agency—

17   “(i) as having attained age 18 but not  
18   age 40 on the hiring date, and

19   “(ii) as having his principal place of  
20   abode within an empowerment zone, enter-  
21   prise community, renewal community, or  
22   rural renewal county.

23                                   “(B) *INDIVIDUAL MUST CONTINUE TO RE-*  
24 *SIDE IN ZONE, COMMUNITY, OR COUNTY.*—In the  
25   case of a designated community resident, the  
26   term ‘qualified wages’ shall not include wages

1           *paid or incurred for services performed while the*  
 2           *individual's principal place of abode is outside*  
 3           *an empowerment zone, enterprise community, re-*  
 4           *newal community, or rural renewal county.*

5           “(C) *RURAL RENEWAL COUNTY.*—*For pur-*  
 6           *poses of this paragraph, the term ‘rural renewal*  
 7           *county’ means any county which—*

8                     “(i) *is outside a metropolitan statis-*  
 9                     *tical area (defined as such by the Office of*  
 10                    *Management and Budget), and*

11                   “(ii) *during the 5-year periods 1990*  
 12                   *through 1994 and 1995 through 1999 had a*  
 13                   *net population loss.”.*

14           (2) *CONFORMING AMENDMENT.*—*Subparagraph*  
 15           *(D) of section 51(d)(1) is amended to read as follows:*

16                   “(D) *a designated community resident,”.*

17           (c) *CLARIFICATION OF TREATMENT OF INDIVIDUALS*  
 18           *UNDER INDIVIDUAL WORK PLANS.*—*Subparagraph (B) of*  
 19           *section 51(d)(6) (relating to vocational rehabilitation refer-*  
 20           *ral) is amended by striking “or” at the end of clause (i),*  
 21           *by striking the period at the end of clause (ii) and inserting*  
 22           *“, or”, and by adding at the end the following new clause:*

23                   “(iii) *an individual work plan devel-*  
 24                   *oped and implemented by an employment*  
 25                   *network pursuant to subsection (g) of sec-*

1            *tion 1148 of the Social Security Act with*  
2            *respect to which the requirements of such*  
3            *subsection are met.”.*

4            *(d) TREATMENT OF DISABLED VETERANS UNDER THE*  
5            *WORK OPPORTUNITY TAX CREDIT.—*

6            *(1) DISABLED VETERANS TREATED AS MEMBERS*  
7            *OF TARGETED GROUP.—*

8            *(A) IN GENERAL.—Subparagraph (A) of*  
9            *section 51(d)(3) (relating to qualified veteran) is*  
10           *amended by striking “agency as being a member*  
11           *of a family” and all that follows and inserting*  
12           *“agency as—*

13                    *“(i) being a member of a family receiv-*  
14                    *ing assistance under a food stamp program*  
15                    *under the Food Stamp Act of 1977 for at*  
16                    *least a 3-month period ending during the*  
17                    *12-month period ending on the hiring date,*  
18                    *or*

19                    *“(ii) entitled to compensation for a*  
20                    *service-connected disability, and—*

21                    *“(I) having a hiring date which is*  
22                    *not more than 1 year after having been*  
23                    *discharged or released from active duty*  
24                    *in the Armed Forces of the United*  
25                    *States, or*

1                   “(II) having aggregate periods of  
2                   unemployment during the 1-year pe-  
3                   riod ending on the hiring date which  
4                   equal or exceed 6 months.”.

5                   (B) *DEFINITIONS.*—Paragraph (3) of sec-  
6                   tion 51(d) is amended by adding at the end the  
7                   following new subparagraph:

8                   “(C) *OTHER DEFINITIONS.*—For purposes of  
9                   subparagraph (A), the terms ‘compensation’ and  
10                  ‘service-connected’ have the meanings given such  
11                  terms under section 101 of title 38, United  
12                  States Code.”.

13                  (2) *INCREASE IN AMOUNT OF WAGES TAKEN INTO*  
14                  *ACCOUNT FOR DISABLED VETERANS.*—Paragraph (3)  
15                  of section 51(b) is amended—

16                  (A) by inserting “(\$12,000 per year in the  
17                  case of any individual who is a qualified veteran  
18                  by reason of subsection (d)(3)(A)(ii))” before the  
19                  period at the end, and

20                  (B) by striking “ONLY FIRST \$6,000 OF” in  
21                  the heading and inserting “LIMITATION ON”.

22                  (e) *EFFECTIVE DATE.*—The amendments made by this  
23                  section shall apply to individuals who begin work for the  
24                  employer after the date of the enactment of this Act.

1 **SEC. 8212. EXTENSION AND INCREASE OF EXPENSING FOR**  
2 **SMALL BUSINESS.**

3 (a) *EXTENSION.*—Subsections (b)(1), (b)(2), (b)(5),  
4 (c)(2), and (d)(1)(A)(ii) of section 179 (relating to election  
5 to expense certain depreciable business assets) are each  
6 amended by striking “2010” and inserting “2011”.

7 (b) *INCREASE IN LIMITATIONS.*—Subsection (b) of sec-  
8 tion 179 is amended—

9 (1) by striking “\$100,000 in the case of taxable  
10 years beginning after 2002” in paragraph (1) and in-  
11 serting “\$125,000 in the case of taxable years begin-  
12 ning after 2006”, and

13 (2) by striking “\$400,000 in the case of taxable  
14 years beginning after 2002” in paragraph (2) and in-  
15 serting “\$500,000 in the case of taxable years begin-  
16 ning after 2006”.

17 (c) *INFLATION ADJUSTMENT.*—Subparagraph (A) of  
18 section 179(b)(5) is amended—

19 (1) by striking “2003” and inserting “2007”,

20 (2) by striking “\$100,000 and \$400,000” and in-  
21 serting “\$125,000 and \$500,000”, and

22 (3) by striking “2002” in clause (ii) and insert-  
23 ing “2006”.

24 (d) *EFFECTIVE DATE.*—The amendments made by this  
25 section shall apply to taxable years beginning after Decem-  
26 ber 31, 2006.

1 **SEC. 8213. DETERMINATION OF CREDIT FOR CERTAIN**  
2 **TAXES PAID WITH RESPECT TO EMPLOYEE**  
3 **CASH TIPS.**

4 (a) *IN GENERAL.*—Subparagraph (B) of section  
5 45B(b)(1) is amended by inserting “as in effect on January  
6 1, 2007, and” before “determined without regard to”.

7 (b) *EFFECTIVE DATE.*—The amendment made by this  
8 section shall apply to tips received for services performed  
9 after December 31, 2006.

10 **SEC. 8214. WAIVER OF INDIVIDUAL AND CORPORATE ALTER-**  
11 **NATIVE MINIMUM TAX LIMITS ON WORK OP-**  
12 **PORTUNITY CREDIT AND CREDIT FOR TAXES**  
13 **PAID WITH RESPECT TO EMPLOYEE CASH**  
14 **TIPS.**

15 (a) *ALLOWANCE AGAINST ALTERNATIVE MINIMUM*  
16 *TAX.*—Subparagraph (B) of section 38(c)(4) is amended by  
17 striking “and” at the end of clause (i), by inserting a  
18 comma at the end of clause (ii), and by adding at the end  
19 the following new clauses:

20 “(iii) the credit determined under sec-  
21 tion 45B, and

22 “(iv) the credit determined under sec-  
23 tion 51.”.

24 (b) *EFFECTIVE DATE.*—The amendments made by this  
25 section shall apply to credits determined under sections 45B  
26 and 51 of the Internal Revenue Code of 1986 in taxable

1 *years beginning after December 31, 2006, and to carrybacks*  
2 *of such credits.*

3 **SEC. 8215. FAMILY BUSINESS TAX SIMPLIFICATION.**

4 *(a) IN GENERAL.—Section 761 (defining terms for*  
5 *purposes of partnerships) is amended by redesignating sub-*  
6 *section (f) as subsection (g) and by inserting after sub-*  
7 *section (e) the following new subsection:*

8 *“(f) QUALIFIED JOINT VENTURE.—*

9 *“(1) IN GENERAL.—In the case of a qualified*  
10 *joint venture conducted by a husband and wife who*  
11 *file a joint return for the taxable year, for purposes*  
12 *of this title—*

13 *“(A) such joint venture shall not be treated*  
14 *as a partnership,*

15 *“(B) all items of income, gain, loss, deduc-*  
16 *tion, and credit shall be divided between the*  
17 *spouses in accordance with their respective inter-*  
18 *ests in the venture, and*

19 *“(C) each spouse shall take into account*  
20 *such spouse’s respective share of such items as if*  
21 *they were attributable to a trade or business con-*  
22 *ducted by such spouse as a sole proprietor.*

23 *“(2) QUALIFIED JOINT VENTURE.—For purposes*  
24 *of paragraph (1), the term ‘qualified joint venture’*

1 means any joint venture involving the conduct of a  
2 trade or business if—

3 “(A) the only members of such joint venture  
4 are a husband and wife,

5 “(B) both spouses materially participate  
6 (within the meaning of section 469(h) without  
7 regard to paragraph (5) thereof) in such trade or  
8 business, and

9 “(C) both spouses elect the application of  
10 this subsection.”

11 (b) NET EARNINGS FROM SELF-EMPLOYMENT.—

12 (1) Subsection (a) of section 1402 (defining net  
13 earnings from self-employment) is amended by strik-  
14 ing “, and” at the end of paragraph (15) and insert-  
15 ing a semicolon, by striking the period at the end of  
16 paragraph (16) and inserting “; and”, and by insert-  
17 ing after paragraph (16) the following new para-  
18 graph:

19 “(17) notwithstanding the preceding provisions  
20 of this subsection, each spouse’s share of income or  
21 loss from a qualified joint venture shall be taken into  
22 account as provided in section 761(f) in determining  
23 net earnings from self-employment of such spouse.”

24 (2) Subsection (a) of section 211 of the Social  
25 Security Act (defining net earnings from self-employ-

1        *ment) is amended by striking “and” at the end of*  
 2        *paragraph (14), by striking the period at the end of*  
 3        *paragraph (15) and inserting “; and”, and by insert-*  
 4        *ing after paragraph (15) the following new para-*  
 5        *graph:*

6                *“(16) Notwithstanding the preceding provisions*  
 7        *of this subsection, each spouse’s share of income or*  
 8        *loss from a qualified joint venture shall be taken into*  
 9        *account as provided in section 761(f) of the Internal*  
 10        *Revenue Code of 1986 in determining net earnings*  
 11        *from self-employment of such spouse.”.*

12        *(c) EFFECTIVE DATE.—The amendments made by this*  
 13        *section shall apply to taxable years beginning after Decem-*  
 14        *ber 31, 2006.*

15        ***Subpart B—Gulf Opportunity Zone Tax Incentives***

16        ***SEC. 8221. EXTENSION OF INCREASED EXPENSING FOR***  
 17                ***QUALIFIED SECTION 179 GULF OPPORTUNITY***  
 18                ***ZONE PROPERTY.***

19        *Paragraph (2) of section 1400N(e) (relating to quali-*  
 20        *fied section 179 Gulf Opportunity Zone property) is*  
 21        *amended—*

22                *(1) by striking “this subsection, the term” and*  
 23        *inserting:*

24                *“this subsection—*

25                *“(A) IN GENERAL.—The term”, and*

1           (2) *by adding at the end the following new sub-*  
 2           *paragraph:*

3                   “(B) *EXTENSION FOR CERTAIN PROP-*  
 4                   *ERTY.—In the case of property substantially all*  
 5                   *of the use of which is in one or more specified*  
 6                   *portions of the GO Zone (as defined by sub-*  
 7                   *section (d)(6)), such term shall include section*  
 8                   *179 property (as so defined) which is described*  
 9                   *in subsection (d)(2), determined—*

10                   “(i) *without regard to subsection*  
 11                   *(d)(6), and*

12                   “(ii) *by substituting ‘2008’ for ‘2007’*  
 13                   *in subparagraph (A)(v) thereof.”.*

14   **SEC. 8222. EXTENSION AND EXPANSION OF LOW-INCOME**  
 15                   **HOUSING CREDIT RULES FOR BUILDINGS IN**  
 16                   **THE GO ZONES.**

17           (a) *TIME FOR MAKING LOW-INCOME HOUSING CREDIT*  
 18    *ALLOCATIONS.—Subsection (c) of section 1400N (relating*  
 19    *to low-income housing credit) is amended by redesignating*  
 20    *paragraph (5) as paragraph (6) and by inserting after*  
 21    *paragraph (4) the following new paragraph:*

22                   “(5) *TIME FOR MAKING LOW-INCOME HOUSING*  
 23                   *CREDIT ALLOCATIONS.—Section 42(h)(1)(B) shall not*  
 24                   *apply to an allocation of housing credit dollar*  
 25                   *amount to a building located in the Gulf Opportunity*

1       *Zone, the Rita GO Zone, or the Wilma GO Zone, if*  
2       *such allocation is made in 2006, 2007, or 2008, and*  
3       *such building is placed in service before January 1,*  
4       *2011.”.*

5       ***(b) EXTENSION OF PERIOD FOR TREATING GO ZONES***  
6 ***AS DIFFICULT DEVELOPMENT AREAS.—***

7               ***(1) IN GENERAL.—****Subparagraph (A) of section*  
8       *1400N(c)(3) is amended by striking “2006, 2007, or*  
9       *2008” and inserting “the period beginning on Janu-*  
10       *ary 1, 2006, and ending on December 31, 2010”.*

11               ***(2) CONFORMING AMENDMENT.—****Clause (ii) of*  
12       *section 1400N(c)(3)(B) is amended by striking “such*  
13       *period” and inserting “the period described in sub-*  
14       *paragraph (A)”.*

15       ***(c) COMMUNITY DEVELOPMENT BLOCK GRANTS NOT***  
16 ***TAKEN INTO ACCOUNT IN DETERMINING IF BUILDINGS ARE***  
17 ***FEDERALLY SUBSIDIZED.—****Subsection (c) of section 1400N*  
18 *(relating to low-income housing credit), as amended by this*  
19 *Act, is amended by redesignating paragraph (6) as para-*  
20 *graph (7) and by inserting after paragraph (5) the fol-*  
21 *lowing new paragraph:*

22               ***“(6) COMMUNITY DEVELOPMENT BLOCK GRANTS***  
23 ***NOT TAKEN INTO ACCOUNT IN DETERMINING IF***  
24 ***BUILDINGS ARE FEDERALLY SUBSIDIZED.—****For pur-*  
25 *pose of applying section 42(i)(2)(D) to any building*

1       *which is placed in service in the Gulf Opportunity*  
2       *Zone, the Rita GO Zone, or the Wilma GO Zone dur-*  
3       *ing the period beginning on January 1, 2006, and*  
4       *ending on December 31, 2010, a loan shall not be*  
5       *treated as a below market Federal loan solely by rea-*  
6       *son of any assistance provided under section 106,*  
7       *107, or 108 of the Housing and Community Develop-*  
8       *ment Act of 1974 by reason of section 122 of such Act*  
9       *or any provision of the Department of Defense Appro-*  
10       *propriations Act, 2006, or the Emergency Supplemental*  
11       *Appropriations Act for Defense, the Global War on*  
12       *Terror, and Hurricane Recovery, 2006.”.*

13   **SEC. 8223. SPECIAL TAX-EXEMPT BOND FINANCING RULE**  
14                   **FOR REPAIRS AND RECONSTRUCTIONS OF**  
15                   **RESIDENCES IN THE GO ZONES.**

16       *Subsection (a) of section 1400N (relating to tax-exempt*  
17       *bond financing) is amended by adding at the end the fol-*  
18       *lowing new paragraph:*

19                   “(7) *SPECIAL RULE FOR REPAIRS AND RECON-*  
20                   *STRUCTIONS.—*

21                   “(A) *IN GENERAL.—For purposes of section*  
22                   *143 and this subsection, any qualified GO Zone*  
23                   *repair or reconstruction shall be treated as a*  
24                   *qualified rehabilitation.*

1           “(B) *QUALIFIED GO ZONE REPAIR OR RE-*  
2           *CONSTRUCTION.*—For purposes of subparagraph  
3           (A), the term ‘qualified GO Zone repair or re-  
4           construction’ means any repair of damage  
5           caused by Hurricane Katrina, Hurricane Rita,  
6           or Hurricane Wilma to a building located in the  
7           Gulf Opportunity Zone, the Rita GO Zone, or  
8           the Wilma GO Zone (or reconstruction of such  
9           building in the case of damage constituting de-  
10          struction) if the expenditures for such repair or  
11          reconstruction are 25 percent or more of the  
12          mortgagor’s adjusted basis in the residence. For  
13          purposes of the preceding sentence, the mortga-  
14          gor’s adjusted basis shall be determined as of the  
15          completion of the repair or reconstruction or, if  
16          later, the date on which the mortgagor acquires  
17          the residence.

18          “(C) *TERMINATION.*—This paragraph shall  
19          apply only to owner-financing provided after the  
20          date of the enactment of this paragraph and be-  
21          fore January 1, 2011.”.

1 **SEC. 8224. GAO STUDY OF PRACTICES EMPLOYED BY STATE**  
2 **AND LOCAL GOVERNMENTS IN ALLOCATING**  
3 **AND UTILIZING TAX INCENTIVES PROVIDED**  
4 **PURSUANT TO THE GULF OPPORTUNITY**  
5 **ZONE ACT OF 2005.**

6 (a) *IN GENERAL.*—The Comptroller General of the  
7 United States shall conduct a study of the practices em-  
8 ployed by State and local governments, and subdivisions  
9 thereof, in allocating and utilizing tax incentives provided  
10 pursuant to the Gulf Opportunity Zone Act of 2005 and  
11 this Act.

12 (b) *SUBMISSION OF REPORT.*—Not later than one year  
13 after the date of the enactment of this Act, the Comptroller  
14 General shall submit a report on the findings of the study  
15 conducted under subsection (a) and shall include therein  
16 recommendations (if any) relating to such findings. The re-  
17 port shall be submitted to the Committee on Ways and  
18 Means of the House of Representatives and the Committee  
19 on Finance of the Senate.

20 (c) *CONGRESSIONAL HEARINGS.*—In the case that the  
21 report submitted under this section includes findings of sig-  
22 nificant fraud, waste or abuse, each Committee specified in  
23 subsection (b) shall, within 60 days after the date the report  
24 is submitted under subsection (b), hold a public hearing to  
25 review such findings.

1                   **Subpart C—Subchapter S Provisions**

2   **SEC. 8231. CAPITAL GAIN OF S CORPORATION NOT TREAT-**  
3                   **ED AS PASSIVE INVESTMENT INCOME.**

4           (a) *IN GENERAL.*—Section 1362(d)(3) is amended by  
5 striking subparagraphs (B), (C), (D), (E), and (F) and in-  
6 serting the following new subparagraphs:

7                   “(B) *GROSS RECEIPTS FROM THE SALES OF*  
8                   *CERTAIN ASSETS.*—For purposes of this para-  
9                   graph—

10                   “(i) *in the case of dispositions of cap-*  
11                   *ital assets (other than stock and securities),*  
12                   *gross receipts from such dispositions shall be*  
13                   *taken into account only to the extent of the*  
14                   *capital gain net income therefrom, and*

15                   “(ii) *in the case of sales or exchanges*  
16                   *of stock or securities, gross receipts shall be*  
17                   *taken into account only to the extent of the*  
18                   *gains therefrom.*

19                   “(C) *PASSIVE INVESTMENT INCOME DE-*  
20                   *FINED.*—

21                   “(i) *IN GENERAL.*—Except as otherwise  
22                   provided in this subparagraph, the term  
23                   ‘passive investment income’ means gross re-  
24                   ceipts derived from royalties, rents, divi-  
25                   dends, interest, and annuities.

1           “(ii) *EXCEPTION FOR INTEREST ON*  
2           *NOTES FROM SALES OF INVENTORY.—The*  
3           *term ‘passive investment income’ shall not*  
4           *include interest on any obligation acquired*  
5           *in the ordinary course of the corporation’s*  
6           *trade or business from its sale of property*  
7           *described in section 1221(a)(1).*

8           “(iii) *TREATMENT OF CERTAIN LEND-*  
9           *ING OR FINANCE COMPANIES.—If the S cor-*  
10           *poration meets the requirements of section*  
11           *542(c)(6) for the taxable year, the term*  
12           *‘passive investment income’ shall not in-*  
13           *clude gross receipts for the taxable year*  
14           *which are derived directly from the active*  
15           *and regular conduct of a lending or finance*  
16           *business (as defined in section 542(d)(1)).*

17           “(iv) *TREATMENT OF CERTAIN DIVI-*  
18           *DENDS.—If an S corporation holds stock in*  
19           *a C corporation meeting the requirements of*  
20           *section 1504(a)(2), the term ‘passive invest-*  
21           *ment income’ shall not include dividends*  
22           *from such C corporation to the extent such*  
23           *dividends are attributable to the earnings*  
24           *and profits of such C corporation derived*

1           *from the active conduct of a trade or busi-*  
2           *ness.*

3           “(v) *EXCEPTION FOR BANKS, ETC.—In*  
4           *the case of a bank (as defined in section*  
5           *581) or a depository institution holding*  
6           *company (as defined in section 3(w)(1) of*  
7           *the Federal Deposit Insurance Act (12*  
8           *U.S.C. 1813(w)(1)), the term ‘passive in-*  
9           *vestment income’ shall not include—*

10                   “(I) *interest income earned by*  
11                   *such bank or company, or*

12                   “(II) *dividends on assets required*  
13                   *to be held by such bank or company,*  
14                   *including stock in the Federal Reserve*  
15                   *Bank, the Federal Home Loan Bank,*  
16                   *or the Federal Agricultural Mortgage*  
17                   *Bank or participation certificates*  
18                   *issued by a Federal Intermediate Cred-*  
19                   *it Bank.”.*

20           “(b) *EFFECTIVE DATE.—The amendments made by this*  
21           *section shall apply to taxable years beginning after the date*  
22           *of the enactment of this Act.*

1 **SEC. 8232. TREATMENT OF BANK DIRECTOR SHARES.**

2       (a) *IN GENERAL.*—Section 1361 (defining S corpora-  
3 tion) is amended by adding at the end the following new  
4 subsection:

5       “(f) *RESTRICTED BANK DIRECTOR STOCK.*—

6             “(1) *IN GENERAL.*—Restricted bank director  
7 stock shall not be taken into account as outstanding  
8 stock of the S corporation in applying this subchapter  
9 (other than section 1368(f)).

10            “(2) *RESTRICTED BANK DIRECTOR STOCK.*—For  
11 purposes of this subsection, the term ‘restricted bank  
12 director stock’ means stock in a bank (as defined in  
13 section 581) or a depository institution holding com-  
14 pany (as defined in section 3(w)(1) of the Federal De-  
15 posit Insurance Act (12 U.S.C. 1813(w)(1)), if such  
16 stock—

17             “(A) is required to be held by an individual  
18 under applicable Federal or State law in order  
19 to permit such individual to serve as a director,  
20 and

21             “(B) is subject to an agreement with such  
22 bank or company (or a corporation which con-  
23 trols (within the meaning of section 368(c)) such  
24 bank or company) pursuant to which the holder  
25 is required to sell back such stock (at the same

1           *price as the individual acquired such stock) upon*  
 2           *ceasing to hold the office of director.*

3           “(3) *CROSS REFERENCE.*—

*“For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f).”.*

4           (b) *DISTRIBUTIONS.*—*Section 1368 (relating to dis-*  
 5 *tributions) is amended by adding at the end the following*  
 6 *new subsection:*

7           “(f) *RESTRICTED BANK DIRECTOR STOCK.*—*If a di-*  
 8 *rector receives a distribution (not in part or full payment*  
 9 *in exchange for stock) from an S corporation with respect*  
 10 *to any restricted bank director stock (as defined in section*  
 11 *1361(f)), the amount of such distribution—*

12           *“(1) shall be includible in gross income of the di-*  
 13 *rector, and*

14           *“(2) shall be deductible by the corporation for the*  
 15 *taxable year of such corporation in which or with*  
 16 *which ends the taxable year in which such amount in*  
 17 *included in the gross income of the director.”.*

18           (c) *EFFECTIVE DATES.*—

19           (1) *IN GENERAL.*—*The amendments made by*  
 20 *this section shall apply to taxable years beginning*  
 21 *after December 31, 2006.*

22           (2) *SPECIAL RULE FOR TREATMENT AS SECOND*  
 23 *CLASS OF STOCK.*—*In the case of any taxable year be-*  
 24 *ginning after December 31, 1996, restricted bank di-*

1        *rector stock (as defined in section 1361(f) of the Inter-*  
2        *nal Revenue Code of 1986, as added by this section)*  
3        *shall not be taken into account in determining wheth-*  
4        *er an S corporation has more than 1 class of stock.*

5        **SEC. 8233. SPECIAL RULE FOR BANK REQUIRED TO CHANGE**  
6                                **FROM THE RESERVE METHOD OF ACCOUNT-**  
7                                **ING ON BECOMING S CORPORATION.**

8        *(a) IN GENERAL.—Section 1361, as amended by this*  
9        *Act, is amended by adding at the end the following new*  
10        *subsection:*

11                *“(g) SPECIAL RULE FOR BANK REQUIRED TO CHANGE*  
12        *FROM THE RESERVE METHOD OF ACCOUNTING ON BECOM-*  
13        *ING S CORPORATION.—In the case of a bank which changes*  
14        *from the reserve method of accounting for bad debts de-*  
15        *scribed in section 585 or 593 for its first taxable year for*  
16        *which an election under section 1362(a) is in effect, the*  
17        *bank may elect to take into account any adjustments under*  
18        *section 481 by reason of such change for the taxable year*  
19        *immediately preceding such first taxable year.”.*

20        *(b) EFFECTIVE DATE.—The amendments made by this*  
21        *section shall apply to taxable years beginning after Decem-*  
22        *ber 31, 2006.*

1 **SEC. 8234. TREATMENT OF THE SALE OF INTEREST IN A**  
2 **QUALIFIED SUBCHAPTER S SUBSIDIARY.**

3 (a) *IN GENERAL.*—Subparagraph (C) of section  
4 1361(b)(3) (relating to treatment of terminations of quali-  
5 fied subchapter S subsidiary status) is amended—

6 (1) by striking “For purposes of this title,” and  
7 inserting the following:

8 “(i) *IN GENERAL.*—For purposes of  
9 this title,” and

10 (2) by inserting at the end the following new  
11 clause:

12 “(ii) *TERMINATION BY REASON OF*  
13 *SALE OF STOCK.*—If the failure to meet the  
14 requirements of subparagraph (B) is by rea-  
15 son of the sale of stock of a corporation  
16 which is a qualified subchapter S sub-  
17 subsidiary, the sale of such stock shall be treat-  
18 ed as if—

19 “(I) the sale were a sale of an un-  
20 divided interest in the assets of such  
21 corporation (based on the percentage of  
22 the corporation’s stock sold), and

23 “(II) the sale were followed by an  
24 acquisition by such corporation of all  
25 of its assets (and the assumption by  
26 such corporation of all of its liabilities)

1                   *in a transaction to which section 351*  
2                   *applies.”.*

3           **(b) EFFECTIVE DATE.**—*The amendments made by this*  
4 *section shall apply to taxable years beginning after Decem-*  
5 *ber 31, 2006.*

6 **SEC. 8235. ELIMINATION OF ALL EARNINGS AND PROFITS**  
7                   **ATTRIBUTABLE TO PRE-1983 YEARS FOR CER-**  
8                   **TAIN CORPORATIONS.**

9           *In the case of a corporation which is—*

10                   (1) *described in section 1311(a)(1) of the Small*  
11                   *Business Job Protection Act of 1996, and*

12                   (2) *not described in section 1311(a)(2) of such*  
13                   *Act,*

14 *the amount of such corporation’s accumulated earnings and*  
15 *profits (for the first taxable year beginning after the date*  
16 *of the enactment of this Act) shall be reduced by an amount*  
17 *equal to the portion (if any) of such accumulated earnings*  
18 *and profits which were accumulated in any taxable year*  
19 *beginning before January 1, 1983, for which such corpora-*  
20 *tion was an electing small business corporation under sub-*  
21 *chapter S of the Internal Revenue Code of 1986.*

1 **SEC. 8236. DEDUCTIBILITY OF INTEREST EXPENSE ON IN-**  
 2 **DEBTEDNESS INCURRED BY AN ELECTING**  
 3 **SMALL BUSINESS TRUST TO ACQUIRE S COR-**  
 4 **PORATION STOCK.**

5 (a) *IN GENERAL.*—Subparagraph (C) of section  
 6 641(c)(2) (relating to modifications) is amended by insert-  
 7 ing after clause (iii) the following new clause:

8 “(iv) Any interest expense paid or ac-  
 9 crued on indebtedness incurred to acquire  
 10 stock in an S corporation.”.

11 (b) *EFFECTIVE DATE.*—The amendment made by this  
 12 section shall apply to taxable years beginning after Decem-  
 13 ber 31, 2006.

14 **PART 2—REVENUE PROVISIONS**

15 **SEC. 8241. INCREASE IN AGE OF CHILDREN WHOSE UN-**  
 16 **EARNED INCOME IS TAXED AS IF PARENT’S**  
 17 **INCOME.**

18 (a) *IN GENERAL.*—Subparagraph (A) of section  
 19 1(g)(2) (relating to child to whom subsection applies) is  
 20 amended to read as follows:

21 “(A) such child—

22 “(i) has not attained age 18 before the  
 23 close of the taxable year, or

24 “(ii)(I) has attained age 18 before the  
 25 close of the taxable year and meets the age  
 26 requirements of section 152(c)(3) (deter-

1            *mined without regard to subparagraph (B)*  
2            *thereof), and*

3            *“(II) whose earned income (as defined*  
4            *in section 911(d)(2)) for such taxable year*  
5            *does not exceed one-half of the amount of the*  
6            *individual’s support (within the meaning of*  
7            *section 152(c)(1)(D) after the application of*  
8            *section 152(f)(5) (without regard to sub-*  
9            *paragraph (A) thereof)) for such taxable*  
10           *year.”.*

11           *(b) CONFORMING AMENDMENT.—Subsection (g) of sec-*  
12           *tion 1 is amended by striking “MINOR” in the heading*  
13           *thereof.*

14           *(c) EFFECTIVE DATE.—The amendment made by this*  
15           *section shall apply to taxable years beginning after the date*  
16           *of the enactment of this Act.*

17           **SEC. 8242. SUSPENSION OF CERTAIN PENALTIES AND IN-**  
18           **TEREST.**

19           *(a) IN GENERAL.—Paragraphs (1)(A) and (3)(A) of*  
20           *section 6404(g) are each amended by striking “18-month*  
21           *period” and inserting “36-month period”.*

22           *(b) EFFECTIVE DATE.—The amendments made by this*  
23           *section shall apply to notices provided by the Secretary of*  
24           *the Treasury, or his delegate, after the date which is 6*  
25           *months after the date of the enactment of this Act.*

1 **SEC. 8243. MODIFICATION OF COLLECTION DUE PROCESS**  
2 **PROCEDURES FOR EMPLOYMENT TAX LIABIL-**  
3 **ITIES.**

4 (a) *IN GENERAL.*—Section 6330(f) (relating to jeop-  
5 ardy and State refund collection) is amended—

6 (1) by striking “; or” at the end of paragraph

7 (1) and inserting a comma,

8 (2) by adding “or” at the end of paragraph (2),

9 and

10 (3) by inserting after paragraph (2) the fol-  
11 lowing new paragraph:

12 “(3) the Secretary has served a disqualified em-  
13 ployment tax levy,”.

14 (b) *DISQUALIFIED EMPLOYMENT TAX LEVY.*—Section  
15 6330 of such Code (relating to notice and opportunity for  
16 hearing before levy) is amended by adding at the end the  
17 following new subsection:

18 “(h) *DISQUALIFIED EMPLOYMENT TAX LEVY.*—For  
19 purposes of subsection (f), a disqualified employment tax  
20 levy is any levy in connection with the collection of employ-  
21 ment taxes for any taxable period if the person subject to  
22 the levy (or any predecessor thereof) requested a hearing  
23 under this section with respect to unpaid employment taxes  
24 arising in the most recent 2-year period before the begin-  
25 ning of the taxable period with respect to which the levy  
26 is served. For purposes of the preceding sentence, the term

1 ‘employment taxes’ means any taxes under chapter 21, 22,  
2 23, or 24.”.

3 (c) *EFFECTIVE DATE.*—The amendments made by this  
4 section shall apply to levies served on or after the date that  
5 is 120 days after the date of the enactment of this Act.

6 **SEC. 8244. PERMANENT EXTENSION OF IRS USER FEES.**

7 Section 7528 (relating to Internal Revenue Service  
8 user fees) is amended by striking subsection (c).

9 **SEC. 8245. INCREASE IN PENALTY FOR BAD CHECKS AND**  
10 **MONEY ORDERS.**

11 (a) *IN GENERAL.*—Section 6657 (relating to bad  
12 checks) is amended—

13 (1) by striking “\$750” and inserting “\$1,250”,  
14 and

15 (2) by striking “\$15” and inserting “\$25”.

16 (b) *EFFECTIVE DATE.*—The amendments made by this  
17 section apply to checks or money orders received after the  
18 date of the enactment of this Act.

19 **SEC. 8246. UNDERSTATEMENT OF TAXPAYER LIABILITY BY**  
20 **RETURN PREPARERS.**

21 (a) *APPLICATION OF RETURN PREPARER PENALTIES*  
22 *TO ALL TAX RETURNS.*—

23 (1) *DEFINITION OF TAX RETURN PREPARER.*—

24 Paragraph (36) of section 7701(a) (relating to income  
25 tax preparer) is amended—

1           (A) by striking “income” each place it ap-  
2           pears in the heading and the text, and

3           (B) in subparagraph (A), by striking “sub-  
4           title A” each place it appears and inserting “this  
5           title”.

6           (2) CONFORMING AMENDMENTS.—

7           (A)(i) Section 6060 is amended by striking  
8           “**INCOME TAX RETURN PREPARERS**” in the  
9           heading and inserting “**TAX RETURN PRE-**  
10           **PARERS**”.

11           (ii) Section 6060(a) is amended—

12           (I) by striking “an income tax return  
13           preparer” each place it appears and insert-  
14           ing “a tax return preparer”,

15           (II) by striking “each income tax re-  
16           turn preparer” and inserting “each tax re-  
17           turn preparer”, and

18           (III) by striking “another income tax  
19           return preparer” and inserting “another  
20           tax return preparer”.

21           (iii) The item relating to section 6060 in  
22           the table of sections for subpart F of part III of  
23           subchapter A of chapter 61 is amended by strik-  
24           ing “income tax return preparers” and inserting  
25           “tax return preparers”.

1           (iv) Subpart F of part III of subchapter A  
2 of chapter 61 is amended by striking “**Income**  
3 **Tax Return Preparers**” in the heading and  
4 inserting “**Tax Return Preparers**”.

5           (v) The item relating to subpart F in the  
6 table of subparts for part III of subchapter A of  
7 chapter 61 is amended by striking “income tax  
8 return preparers” and inserting “tax return pre-  
9 parers”.

10           (B) Section 6103(k)(5) is amended—

11           (i) by striking “income tax return pre-  
12 parer” each place it appears and inserting  
13 “tax return preparer”, and

14           (ii) by striking “income tax return  
15 preparers” each place it appears and insert-  
16 ing “tax return preparers”.

17           (C)(i) Section 6107 is amended—

18           (I) by striking “**INCOME TAX RE-**  
19 **TURN PREPARER**” in the heading and in-  
20 serting “**TAX RETURN PREPARER**”,

21           (II) by striking “an income tax return  
22 preparer” each place it appears in sub-  
23 sections (a) and (b) and inserting “a tax re-  
24 turn preparer”,

1           (III) by striking “**INCOME TAX RE-**  
2           **TURN PREPARER**” in the heading for sub-  
3           section (b) and inserting “**TAX RETURN**  
4           **PREPARER**”, and

5           (IV) in subsection (c), by striking “in-  
6           come tax return preparers” and inserting  
7           “tax return preparers”.

8           (ii) The item relating to section 6107 in the  
9           table of sections for subchapter B of chapter 61  
10          is amended by striking “Income tax return pre-  
11          parer” and inserting “Tax return preparer”.

12          (D) Section 6109(a)(4) is amended—

13           (i) by striking “an income tax return  
14           preparer” and inserting “a tax return pre-  
15           parer”, and

16           (ii) by striking “**INCOME RETURN PRE-**  
17           **PARER**” in the heading and inserting “**TAX**  
18           **RETURN PREPARER**”.

19          (E) Section 6503(k)(4) is amended by strik-  
20          ing “Income tax return preparers” and inserting  
21          “Tax return preparers”.

22          (F)(i) Section 6694 is amended—

23           (I) by striking “**INCOME TAX RE-**  
24           **TURN PREPARER**” in the heading and in-  
25           serting “**TAX RETURN PREPARER**”,

1           (II) by striking “an income tax return  
2 preparer” each place it appears and insert-  
3 ing “a tax return preparer”,

4           (III) in subsection (c)(2), by striking  
5 “the income tax return preparer” and in-  
6 serting “the tax return preparer”,

7           (IV) in subsection (e), by striking  
8 “subtitle A” and inserting “this title”, and

9           (V) in subsection (f), by striking “in-  
10 come tax return preparer” and inserting  
11 “tax return preparer”.

12           (ii) The item relating to section 6694 in the  
13 table of sections for part I of subchapter B of  
14 chapter 68 is amended by striking “income tax  
15 return preparer” and inserting “tax return pre-  
16 parer”.

17           (G)(i) Section 6695 is amended—

18           (I) by striking “**INCOME**” in the head-  
19 ing, and

20           (II) by striking “an income tax return  
21 preparer” each place it appears and insert-  
22 ing “a tax return preparer”.

23           (ii) Section 6695(f) is amended—

24           (I) by striking “subtitle A” and insert-  
25 ing “this title”, and

1           (II) by striking “the income tax return  
2           preparer” and inserting “the tax return  
3           preparer”.

4           (iii) The item relating to section 6695 in  
5           the table of sections for part I of subchapter B  
6           of chapter 68 is amended by striking “income”.

7           (H) Section 6696(e) is amended by striking  
8           “subtitle A” each place it appears and inserting  
9           “this title”.

10          (I)(i) Section 7407 is amended—

11                 (I) by striking “**INCOME TAX RE-**  
12                 **TURN PREPARERS**” in the heading and  
13                 inserting “**TAX RETURN PREPARERS**”,

14                 (II) by striking “an income tax return  
15                 preparer” each place it appears and insert-  
16                 ing “a tax return preparer”,

17                 (III) by striking “income tax pre-  
18                 parer” both places it appears in subsection  
19                 (a) and inserting “tax return preparer”,  
20                 and

21                 (IV) by striking “income tax return”  
22                 in subsection (a) and inserting “tax re-  
23                 turn”.

24           (ii) The item relating to section 7407 in the  
25           table of sections for subchapter A of chapter 76

1 is amended by striking “income tax return pre-  
2 parers” and inserting “tax return preparers”.

3 (J)(i) Section 7427 is amended—

4 (I) by striking “**INCOME TAX RE-**  
5 **TURN PREPARERS**” in the heading and  
6 inserting “**TAX RETURN PREPARERS**”,  
7 and

8 (II) by striking “an income tax return  
9 preparer” and inserting “a tax return pre-  
10 parer”.

11 (ii) The item relating to section 7427 in the  
12 table of sections for subchapter B of chapter 76  
13 is amended to read as follows:

“Sec. 7427. Tax return preparers.”.

14 (b) **MODIFICATION OF PENALTY FOR UNDERSTATE-**  
15 **MENT OF TAXPAYER’S LIABILITY BY TAX RETURN PRE-**  
16 **PARER.**—Subsections (a) and (b) of section 6694 are  
17 amended to read as follows:

18 “(a) **UNDERSTATEMENT DUE TO UNREASONABLE PO-**  
19 **SITIONS.**—

20 “(1) **IN GENERAL.**—Any tax return preparer  
21 who prepares any return or claim for refund with re-  
22 spect to which any part of an understatement of li-  
23 ability is due to a position described in paragraph  
24 (2) shall pay a penalty with respect to each such re-  
25 turn or claim in an amount equal to the greater of—

1           “(A) \$1,000, or

2           “(B) 50 percent of the income derived (or to  
3           be derived) by the tax return preparer with re-  
4           spect to the return or claim.

5           “(2) *UNREASONABLE POSITION*.—A position is  
6           described in this paragraph if—

7           “(A) the tax return preparer knew (or rea-  
8           sonably should have known) of the position,

9           “(B) there was not a reasonable belief that  
10          the position would more likely than not be sus-  
11          tained on its merits, and

12          “(C)(i) the position was not disclosed as  
13          provided in section 6662(d)(2)(B)(ii), or

14          “(ii) there was no reasonable basis for the  
15          position.

16          “(3) *REASONABLE CAUSE EXCEPTION*.—No pen-  
17          alty shall be imposed under this subsection if it is  
18          shown that there is reasonable cause for the under-  
19          statement and the tax return preparer acted in good  
20          faith.

21          “(b) *UNDERSTATEMENT DUE TO WILLFUL OR RECK-*  
22          *LESS CONDUCT*.—

23                 “(1) *IN GENERAL*.—Any tax return preparer  
24                 who prepares any return or claim for refund with re-  
25                 spect to which any part of an understatement of li-

1 *ability is due to a conduct described in paragraph (2)*  
2 *shall pay a penalty with respect to each such return*  
3 *or claim in an amount equal to the greater of—*

4 *“(A) \$5,000, or*

5 *“(B) 50 percent of the income derived (or to*  
6 *be derived) by the tax return preparer with re-*  
7 *spect to the return or claim.*

8 *“(2) WILLFUL OR RECKLESS CONDUCT.—Con-*  
9 *duct described in this paragraph is conduct by the tax*  
10 *return preparer which is—*

11 *“(A) a willful attempt in any manner to*  
12 *understate the liability for tax on the return or*  
13 *claim, or*

14 *“(B) a reckless or intentional disregard of*  
15 *rules or regulations.*

16 *“(3) REDUCTION IN PENALTY.—The amount of*  
17 *any penalty payable by any person by reason of this*  
18 *subsection for any return or claim for refund shall be*  
19 *reduced by the amount of the penalty paid by such*  
20 *person by reason of subsection (a).”.*

21 *(c) EFFECTIVE DATE.—The amendments made by this*  
22 *section shall apply to returns prepared after the date of the*  
23 *enactment of this Act.*

1 **SEC. 8247. PENALTY FOR FILING ERRONEOUS REFUND**  
2 **CLAIMS.**

3 (a) *IN GENERAL.*—Part I of subchapter B of chapter  
4 68 (relating to assessable penalties) is amended by inserting  
5 after section 6675 the following new section:

6 **“SEC. 6676. ERRONEOUS CLAIM FOR REFUND OR CREDIT.**

7 “(a) *CIVIL PENALTY.*—If a claim for refund or credit  
8 with respect to income tax (other than a claim for a refund  
9 or credit relating to the earned income credit under section  
10 32) is made for an excessive amount, unless it is shown  
11 that the claim for such excessive amount has a reasonable  
12 basis, the person making such claim shall be liable for a  
13 penalty in an amount equal to 20 percent of the excessive  
14 amount.

15 “(b) *EXCESSIVE AMOUNT.*—For purposes of this sec-  
16 tion, the term ‘excessive amount’ means in the case of any  
17 person the amount by which the amount of the claim for  
18 refund or credit for any taxable year exceeds the amount  
19 of such claim allowable under this title for such taxable  
20 year.

21 “(c) *COORDINATION WITH OTHER PENALTIES.*—This  
22 section shall not apply to any portion of the excessive  
23 amount of a claim for refund or credit which is subject to  
24 a penalty imposed under part II of subchapter A of chapter  
25 68.”.

1           (b) *CONFORMING AMENDMENT.*—*The table of sections*  
 2 *for part I of subchapter B of chapter 68 is amended by*  
 3 *inserting after the item relating to section 6675 the fol-*  
 4 *lowing new item:*

          “*Sec. 6676. Erroneous claim for refund or credit.*”.

5           (c) *EFFECTIVE DATE.*—*The amendments made by this*  
 6 *section shall apply to any claim filed or submitted after*  
 7 *the date of the enactment of this Act.*

8   **SEC. 8248. TIME FOR PAYMENT OF CORPORATE ESTIMATED**  
 9                                   **TAXES.**

10           *Subparagraph (B) of section 401(1) of the Tax In-*  
 11 *crease Prevention and Reconciliation Act of 2005 is amend-*  
 12 *ed by striking “106.25 percent” and inserting “114.25 per-*  
 13 *cent”.*

14                                   **Subtitle C—Small Business**  
 15   **Incentives**

16   **SEC. 8301. SHORT TITLE.**

17           *This subtitle may be cited as the “Small Business and*  
 18 *Work Opportunity Act of 2007”.*

19   **SEC. 8302. ENHANCED COMPLIANCE ASSISTANCE FOR**  
 20                                   **SMALL BUSINESSES.**

21           (a) *IN GENERAL.*—*Section 212 of the Small Business*  
 22 *Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601*  
 23 *note) is amended by striking subsection (a) and inserting*  
 24 *the following:*

25           “(a) *COMPLIANCE GUIDE.*—

1           “(1) *IN GENERAL.*—For each rule or group of re-  
2           lated rules for which an agency is required to prepare  
3           a final regulatory flexibility analysis under section  
4           605(b) of title 5, United States Code, the agency shall  
5           publish 1 or more guides to assist small entities in  
6           complying with the rule and shall entitle such publi-  
7           cations ‘small entity compliance guides’.

8           “(2) *PUBLICATION OF GUIDES.*—The publication  
9           of each guide under this subsection shall include—

10           “(A) the posting of the guide in an easily  
11           identified location on the website of the agency;  
12           and

13           “(B) distribution of the guide to known in-  
14           dustry contacts, such as small entities, associa-  
15           tions, or industry leaders affected by the rule.

16           “(3) *PUBLICATION DATE.*—An agency shall pub-  
17           lish each guide (including the posting and distribu-  
18           tion of the guide as described under paragraph (2))—

19           “(A) on the same date as the date of publi-  
20           cation of the final rule (or as soon as possible  
21           after that date); and

22           “(B) not later than the date on which the  
23           requirements of that rule become effective.

24           “(4) *COMPLIANCE ACTIONS.*—

1           “(A) *IN GENERAL.*—*Each guide shall ex-*  
2 *plain the actions a small entity is required to*  
3 *take to comply with a rule.*

4           “(B) *EXPLANATION.*—*The explanation*  
5 *under subparagraph (A)—*

6           “(i) *shall include a description of ac-*  
7 *tions needed to meet the requirements of a*  
8 *rule, to enable a small entity to know when*  
9 *such requirements are met; and*

10           “(ii) *if determined appropriate by the*  
11 *agency, may include a description of pos-*  
12 *sible procedures, such as conducting tests,*  
13 *that may assist a small entity in meeting*  
14 *such requirements, except that, compliance*  
15 *with any procedures described pursuant to*  
16 *this section does not establish compliance*  
17 *with the rule, or establish a presumption or*  
18 *inference of such compliance.*

19           “(C) *PROCEDURES.*—*Procedures described*  
20 *under subparagraph (B)(ii)—*

21           “(i) *shall be suggestions to assist small*  
22 *entities; and*

23           “(ii) *shall not be additional require-*  
24 *ments, or diminish requirements, relating to*  
25 *the rule.*

1           “(5) *AGENCY PREPARATION OF GUIDES.*—The  
2           agency shall, in its sole discretion, taking into ac-  
3           count the subject matter of the rule and the language  
4           of relevant statutes, ensure that the guide is written  
5           using sufficiently plain language likely to be under-  
6           stood by affected small entities. Agencies may prepare  
7           separate guides covering groups or classes of similarly  
8           affected small entities and may cooperate with asso-  
9           ciations of small entities to develop and distribute  
10          such guides. An agency may prepare guides and  
11          apply this section with respect to a rule or a group  
12          of related rules.

13           “(6) *REPORTING.*—Not later than 1 year after  
14          the date of enactment of the Fair Minimum Wage Act  
15          of 2007, and annually thereafter, the head of each  
16          agency shall submit a report to the Committee on  
17          Small Business and Entrepreneurship of the Senate,  
18          the Committee on Small Business of the House of  
19          Representatives, and any other committee of relevant  
20          jurisdiction describing the status of the agency’s com-  
21          pliance with paragraphs (1) through (5).”.

22          (b) *TECHNICAL AND CONFORMING AMENDMENT.*—Sec-  
23          tion 211(3) of the Small Business Regulatory Enforcement  
24          Fairness Act of 1996 (5 U.S.C. 601 note) is amended by  
25          inserting “and entitled” after “designated”.

1 **SEC. 8303. SMALL BUSINESS CHILD CARE GRANT PROGRAM.**

2 (a) *ESTABLISHMENT.*—*The Secretary of Health and*  
3 *Human Services (referred to in this section as the “Sec-*  
4 *retary”)* shall establish a program to award grants to  
5 States, on a competitive basis, to assist States in providing  
6 funds to encourage the establishment and operation of em-  
7 ployer-operated child care programs.

8 (b) *APPLICATION.*—*To be eligible to receive a grant*  
9 *under this section, a State shall prepare and submit to the*  
10 *Secretary an application at such time, in such manner, and*  
11 *containing such information as the Secretary may require,*  
12 *including an assurance that the funds required under sub-*  
13 *section (e) will be provided.*

14 (c) *AMOUNT AND PERIOD OF GRANT.*—*The Secretary*  
15 *shall determine the amount of a grant to a State under*  
16 *this section based on the population of the State as com-*  
17 *pared to the population of all States receiving grants under*  
18 *this section. The Secretary shall make the grant for a period*  
19 *of 3 years.*

20 (d) *USE OF FUNDS.*—

21 (1) *IN GENERAL.*—*A State shall use amounts*  
22 *provided under a grant awarded under this section to*  
23 *provide assistance to small businesses (or consortia*  
24 *formed in accordance with paragraph (3)) located in*  
25 *the State to enable the small businesses (or consortia)*

1       to establish and operate child care programs. Such as-  
2       sistance may include—

3               (A) technical assistance in the establishment  
4       of a child care program;

5               (B) assistance for the startup costs related  
6       to a child care program;

7               (C) assistance for the training of child care  
8       providers;

9               (D) scholarships for low-income wage earn-  
10      ers;

11              (E) the provision of services to care for sick  
12      children or to provide care to school-aged chil-  
13      dren;

14              (F) the entering into of contracts with local  
15      resource and referral organizations or local  
16      health departments;

17              (G) assistance for care for children with  
18      disabilities;

19              (H) payment of expenses for renovation or  
20      operation of a child care facility; or

21              (I) assistance for any other activity deter-  
22      mined appropriate by the State.

23              (2) APPLICATION.—In order for a small business  
24      or consortium to be eligible to receive assistance from  
25      a State under this section, the small business involved

1 shall prepare and submit to the State an application  
2 at such time, in such manner, and containing such  
3 information as the State may require.

4 (3) *PREFERENCE.*—

5 (A) *IN GENERAL.*—In providing assistance  
6 under this section, a State shall give priority to  
7 an applicant that desires to form a consortium  
8 to provide child care in a geographic area within  
9 the State where such care is not generally avail-  
10 able or accessible.

11 (B) *CONSORTIUM.*—For purposes of sub-  
12 paragraph (A), a consortium shall be made up  
13 of 2 or more entities that shall include small  
14 businesses and that may include large businesses,  
15 nonprofit agencies or organizations, local govern-  
16 ments, or other appropriate entities.

17 (4) *LIMITATIONS.*—With respect to grant funds  
18 received under this section, a State may not provide  
19 in excess of \$500,000 in assistance from such funds  
20 to any single applicant.

21 (e) *MATCHING REQUIREMENT.*—To be eligible to re-  
22 ceive a grant under this section, a State shall provide assur-  
23 ances to the Secretary that, with respect to the costs to be  
24 incurred by a covered entity receiving assistance in car-  
25 rying out activities under this section, the covered entity

1 *will make available (directly or through donations from*  
2 *public or private entities) non-Federal contributions to such*  
3 *costs in an amount equal to—*

4 *(1) for the first fiscal year in which the covered*  
5 *entity receives such assistance, not less than 50 per-*  
6 *cent of such costs (\$1 for each \$1 of assistance pro-*  
7 *vided to the covered entity under the grant);*

8 *(2) for the second fiscal year in which the cov-*  
9 *ered entity receives such assistance, not less than 66<sup>2</sup>/<sub>3</sub>*  
10 *percent of such costs (\$2 for each \$1 of assistance pro-*  
11 *vided to the covered entity under the grant); and*

12 *(3) for the third fiscal year in which the covered*  
13 *entity receives such assistance, not less than 75 per-*  
14 *cent of such costs (\$3 for each \$1 of assistance pro-*  
15 *vided to the covered entity under the grant).*

16 *(f) REQUIREMENTS OF PROVIDERS.—To be eligible to*  
17 *receive assistance under a grant awarded under this section,*  
18 *a child care provider—*

19 *(1) who receives assistance from a State shall*  
20 *comply with all applicable State and local licensing*  
21 *and regulatory requirements and all applicable health*  
22 *and safety standards in effect in the State; and*

23 *(2) who receives assistance from an Indian tribe*  
24 *or tribal organization shall comply with all applica-*  
25 *ble regulatory standards.*

1           (g) *STATE-LEVEL ACTIVITIES.*—A State may not re-  
2     tain more than 3 percent of the amount described in sub-  
3     section (c) for State administration and other State-level  
4     activities.

5           (h) *ADMINISTRATION.*—

6                 (1) *STATE RESPONSIBILITY.*—A State shall have  
7     responsibility for administering a grant awarded for  
8     the State under this section and for monitoring cov-  
9     ered entities that receive assistance under such grant.

10                (2) *AUDITS.*—A State shall require each covered  
11    entity receiving assistance under the grant awarded  
12    under this section to conduct an annual audit with  
13    respect to the activities of the covered entity. Such au-  
14    dits shall be submitted to the State.

15                (3) *MISUSE OF FUNDS.*—

16                    (A) *REPAYMENT.*—If the State determines,  
17    through an audit or otherwise, that a covered en-  
18    tity receiving assistance under a grant awarded  
19    under this section has misused the assistance, the  
20    State shall notify the Secretary of the misuse.  
21    The Secretary, upon such a notification, may  
22    seek from such a covered entity the repayment of  
23    an amount equal to the amount of any such mis-  
24    used assistance plus interest.

1           (B) *APPEALS PROCESS.*—*The Secretary*  
2           *shall by regulation provide for an appeals proc-*  
3           *ess with respect to repayments under this para-*  
4           *graph.*

5           (i) *REPORTING REQUIREMENTS.*—

6           (1) *2-YEAR STUDY.*—

7           (A) *IN GENERAL.*—*Not later than 2 years*  
8           *after the date on which the Secretary first*  
9           *awards grants under this section, the Secretary*  
10           *shall conduct a study to determine—*

11                   (i) *the capacity of covered entities to*  
12                   *meet the child care needs of communities*  
13                   *within States;*

14                   (ii) *the kinds of consortia that are*  
15                   *being formed with respect to child care at*  
16                   *the local level to carry out programs funded*  
17                   *under this section; and*

18                   (iii) *who is using the programs funded*  
19                   *under this section and the income levels of*  
20                   *such individuals.*

21           (B) *REPORT.*—*Not later than 28 months*  
22           *after the date on which the Secretary first*  
23           *awards grants under this section, the Secretary*  
24           *shall prepare and submit to the appropriate*  
25           *committees of Congress a report on the results of*

1           *the study conducted in accordance with subpara-*  
2           *graph (A).*

3           (2) *4-YEAR STUDY.—*

4                   (A) *IN GENERAL.—Not later than 4 years*  
5                   *after the date on which the Secretary first*  
6                   *awards grants under this section, the Secretary*  
7                   *shall conduct a study to determine the number of*  
8                   *child care facilities that are funded through cov-*  
9                   *ered entities that received assistance through a*  
10                   *grant awarded under this section and that re-*  
11                   *main in operation, and the extent to which such*  
12                   *facilities are meeting the child care needs of the*  
13                   *individuals served by such facilities.*

14                   (B) *REPORT.—Not later than 52 months*  
15                   *after the date on which the Secretary first*  
16                   *awards grants under this section, the Secretary*  
17                   *shall prepare and submit to the appropriate*  
18                   *committees of Congress a report on the results of*  
19                   *the study conducted in accordance with subpara-*  
20                   *graph (A).*

21           (j) *DEFINITIONS.—In this section:*

22                   (1) *COVERED ENTITY.—The term “covered enti-*  
23                   *ty” means a small business or a consortium formed*  
24                   *in accordance with subsection (d)(3).*

1           (2) *INDIAN COMMUNITY.*—*The term “Indian*  
2 *community” means a community served by an In-*  
3 *Indian tribe or tribal organization.*

4           (3) *INDIAN TRIBE; TRIBAL ORGANIZATION.*—*The*  
5 *terms “Indian tribe” and “tribal organization” have*  
6 *the meanings given the terms in section 658P of the*  
7 *Child Care and Development Block Grant Act of 1990*  
8 *(42 U.S.C. 9858n).*

9           (4) *SMALL BUSINESS.*—*The term “small busi-*  
10 *ness” means an employer who employed an average*  
11 *of at least 2 but not more than 50 employees on the*  
12 *business days during the preceding calendar year.*

13           (5) *STATE.*—*The term “State” has the meaning*  
14 *given the term in section 658P of the Child Care and*  
15 *Development Block Grant Act of 1990 (42 U.S.C.*  
16 *9858n).*

17           (k) *APPLICATION TO INDIAN TRIBES AND TRIBAL OR-*  
18 *GANIZATIONS.*—*In this section:*

19           (1) *IN GENERAL.*—*Except as provided in sub-*  
20 *section (f)(1), and in paragraphs (2) and (3), the*  
21 *term “State” includes an Indian tribe or tribal orga-*  
22 *nization.*

23           (2) *GEOGRAPHIC REFERENCES.*—*The term*  
24 *“State” includes an Indian community in subsections*  
25 *(c) (the second and third place the term appears),*

1       (d)(1) (the second place the term appears), (d)(3)(A)  
2       (the second place the term appears), and (i)(1)(A)(i).

3               (3) *STATE-LEVEL ACTIVITIES.*—The term “State-  
4       level activities” includes activities at the tribal level.

5       (l) *AUTHORIZATION OF APPROPRIATIONS.*—

6               (1) *IN GENERAL.*—There is authorized to be ap-  
7       propriated to carry out this section, \$50,000,000 for  
8       the period of fiscal years 2008 through 2012.

9               (2) *STUDIES AND ADMINISTRATION.*—With re-  
10       spect to the total amount appropriated for such pe-  
11       riod in accordance with this subsection, not more  
12       than \$2,500,000 of that amount may be used for ex-  
13       penditures related to conducting studies required  
14       under, and the administration of, this section.

15       (m) *TERMINATION OF PROGRAM.*—The program estab-  
16       lished under subsection (a) shall terminate on September  
17       30, 2012.

18       **SEC. 8304. STUDY OF UNIVERSAL USE OF ADVANCE PAY-**  
19               **MENT OF EARNED INCOME CREDIT.**

20               Not later than 180 days after the date of the enactment  
21       of this Act, the Secretary of the Treasury shall report to  
22       Congress on a study of the benefits, costs, risks, and barriers  
23       to workers and to businesses (with a special emphasis on  
24       small businesses) if the advance earned income tax credit  
25       program (under section 3507 of the Internal Revenue Code

1 of 1986) included all recipients of the earned income tax  
2 credit (under section 32 of such Code) and what steps would  
3 be necessary to implement such inclusion.

4 **SEC. 8305. RENEWAL GRANTS FOR WOMEN'S BUSINESS CEN-**  
5 **TERS.**

6 (a) *IN GENERAL.*—Section 29 of the Small Business  
7 Act (15 U.S.C. 656) is amended by adding at the end the  
8 following:

9 “(m) *CONTINUED FUNDING FOR CENTERS.*—

10 “(1) *IN GENERAL.*—A nonprofit organization de-  
11 scribed in paragraph (2) shall be eligible to receive,  
12 subject to paragraph (3), a 3-year grant under this  
13 subsection.

14 “(2) *APPLICABILITY.*—A nonprofit organization  
15 described in this paragraph is a nonprofit organiza-  
16 tion that has received funding under subsection (b) or  
17 (l).

18 “(3) *APPLICATION AND APPROVAL CRITERIA.*—

19 “(A) *CRITERIA.*—Subject to subparagraph  
20 (B), the Administrator shall develop and publish  
21 criteria for the consideration and approval of  
22 applications by nonprofit organizations under  
23 this subsection.

24 “(B) *CONTENTS.*—Except as otherwise pro-  
25 vided in this subsection, the conditions for par-

1            *ticipation in the grant program under this sub-*  
2            *section shall be the same as the conditions for*  
3            *participation in the program under subsection*  
4            *(l), as in effect on the date of enactment of this*  
5            *Act.*

6            “(C) *NOTIFICATION.*—*Not later than 60*  
7            *days after the date of the deadline to submit ap-*  
8            *plications for each fiscal year, the Administrator*  
9            *shall approve or deny any application under*  
10           *this subsection and notify the applicant for each*  
11           *such application.*

12           “(4) *AWARD OF GRANTS.*—

13           “(A) *IN GENERAL.*—*Subject to the avail-*  
14           *ability of appropriations, the Administrator*  
15           *shall make a grant for the Federal share of the*  
16           *cost of activities described in the application to*  
17           *each applicant approved under this subsection.*

18           “(B) *AMOUNT.*—*A grant under this sub-*  
19           *section shall be for not more than \$150,000, for*  
20           *each year of that grant.*

21           “(C) *FEDERAL SHARE.*—*The Federal share*  
22           *under this subsection shall be not more than 50*  
23           *percent.*

24           “(D) *PRIORITY.*—*In allocating funds made*  
25           *available for grants under this section, the Ad-*

1           *administrator shall give applications under this*  
2           *subsection or subsection (l) priority over first-*  
3           *time applications under subsection (b).*

4           “(5) *RENEWAL.—*

5                   “(A) *IN GENERAL.—The Administrator*  
6                   *may renew a grant under this subsection for ad-*  
7                   *ditional 3-year periods, if the nonprofit organi-*  
8                   *zation submits an application for such renewal*  
9                   *at such time, in such manner, and accompanied*  
10                   *by such information as the Administrator may*  
11                   *establish.*

12                   “(B) *UNLIMITED RENEWALS.—There shall*  
13                   *be no limitation on the number of times a grant*  
14                   *may be renewed under subparagraph (A).*

15           “(n) *PRIVACY REQUIREMENTS.—*

16                   “(1) *IN GENERAL.—A women’s business center*  
17                   *may not disclose the name, address, or telephone*  
18                   *number of any individual or small business concern*  
19                   *receiving assistance under this section without the*  
20                   *consent of such individual or small business concern,*  
21                   *unless—*

22                           “(A) *the Administrator is ordered to make*  
23                           *such a disclosure by a court in any civil or*  
24                           *criminal enforcement action initiated by a Fed-*  
25                           *eral or State agency; or*

1           “(B) the Administrator considers such a  
2 disclosure to be necessary for the purpose of con-  
3 ducting a financial audit of a women’s business  
4 center, but a disclosure under this subparagraph  
5 shall be limited to the information necessary for  
6 such audit.

7           “(2) ADMINISTRATION USE OF INFORMATION.—  
8 This subsection shall not—

9           “(A) restrict Administration access to pro-  
10 gram activity data; or

11           “(B) prevent the Administration from using  
12 client information (other than the information  
13 described in subparagraph (A)) to conduct client  
14 surveys.

15           “(3) REGULATIONS.—The Administrator shall  
16 issue regulations to establish standards for requiring  
17 disclosures during a financial audit under paragraph  
18 (1)(B).”.

19           (b) REPEAL.—Section 29(l) of the Small Business Act  
20 (15 U.S.C. 656(l)) is repealed effective October 1 of the first  
21 full fiscal year after the date of enactment of this Act.

22           (c) TRANSITIONAL RULE.—Notwithstanding any other  
23 provision of law, a grant or cooperative agreement that was  
24 awarded under subsection (l) of section 29 of the Small  
25 Business Act (15 U.S.C. 656), on or before the day before

1 *the date described in subsection (b) of this section, shall re-*  
2 *main in full force and effect under the terms, and for the*  
3 *duration, of such grant or agreement.*

4 **SEC. 8306. REPORTS ON ACQUISITIONS OF ARTICLES, MATE-**  
5 **RIALS, AND SUPPLIES MANUFACTURED OUT-**  
6 **SIDE THE UNITED STATES.**

7 *Section 2 of the Buy American Act (41 U.S.C. 10a)*  
8 *is amended—*

9 *(1) by striking “Notwithstanding” and inserting*  
10 *the following:*

11 *“(a) IN GENERAL.—Notwithstanding”; and*

12 *(2) by adding at the end the following:*

13 *“(b) REPORTS.—*

14 *“(1) IN GENERAL.—Not later than 180 days*  
15 *after the end of each of fiscal years 2007 through*  
16 *2011, the head of each Federal agency shall submit to*  
17 *the Committee on Homeland Security and Govern-*  
18 *mental Affairs of the Senate and the Committee on*  
19 *Oversight and Government Reform of the House of*  
20 *Representatives a report on the amount of the acqui-*  
21 *sitions made by the agency in that fiscal year of arti-*  
22 *cles, materials, or supplies purchased from entities*  
23 *that manufacture the articles, materials, or supplies*  
24 *outside of the United States.*

1           “(2) *CONTENTS OF REPORT.*—*The report re-*  
2           *quired by paragraph (1) shall separately include, for*  
3           *the fiscal year covered by such report—*

4                   “(A) *the dollar value of any articles, mate-*  
5                   *rials, or supplies that were manufactured outside*  
6                   *the United States;*

7                   “(B) *an itemized list of all waivers granted*  
8                   *with respect to such articles, materials, or sup-*  
9                   *plies under this Act, and a citation to the treaty,*  
10                  *international agreement, or other law under*  
11                  *which each waiver was granted;*

12                  “(C) *if any articles, materials, or supplies*  
13                  *were acquired from entities that manufacture ar-*  
14                  *ticles, materials, or supplies outside the United*  
15                  *States, the specific exception under this section*  
16                  *that was used to purchase such articles, mate-*  
17                  *rials, or supplies; and*

18                  “(D) *a summary of—*

19                          “(i) *the total procurement funds ex-*  
20                          *pended on articles, materials, and supplies*  
21                          *manufactured inside the United States; and*

22                          “(ii) *the total procurement funds ex-*  
23                          *pended on articles, materials, and supplies*  
24                          *manufactured outside the United States.*

1           “(3) *PUBLIC AVAILABILITY.*—*The head of each*  
2           *Federal agency submitting a report under paragraph*  
3           *(1) shall make the report publicly available to the*  
4           *maximum extent practicable.*

5           “(4) *EXCEPTION FOR INTELLIGENCE COMMU-*  
6           *NITY.*—*This subsection shall not apply to acquisitions*  
7           *made by an agency, or component thereof, that is an*  
8           *element of the intelligence community as specified in,*  
9           *or designated under, section 3(4) of the National Se-*  
10          *curity Act of 1947 (50 U.S.C. 401a(4)).”.*

11           ***TITLE IX—AGRICULTURAL***  
12           ***ASSISTANCE***

13          ***SEC. 9001. CROP DISASTER ASSISTANCE.***

14          “(a) *ASSISTANCE AVAILABLE.*—*There are hereby appro-*  
15          *priated to the Secretary of Agriculture such sums as are*  
16          *necessary, to remain available until expended, to make*  
17          *emergency financial assistance available to producers on a*  
18          *farm that incurred qualifying quantity or quality losses for*  
19          *the 2005, 2006, or 2007 crop, due to damaging weather or*  
20          *any related condition (including losses due to crop diseases,*  
21          *insects, and delayed planting), as determined by the Sec-*  
22          *retary. However, to be eligible for assistance, the crop sub-*  
23          *ject to the loss must have been planted before February 28,*  
24          *2007, or, in the case of prevented planting or other total*  
25          *loss, would have been planted before February 28, 2007, in*

1 *the absence of the damaging weather or any related condi-*  
2 *tion.*

3       **(b) ELECTION OF CROP YEAR.**—*If a producer incurred*  
4 *qualifying crop losses in more than one of the 2005, 2006,*  
5 *or 2007 crop years, the producer shall elect to receive assist-*  
6 *ance under this section for losses incurred in only one of*  
7 *such crop years. The producer may not receive assistance*  
8 *under this section for more than one crop year.*

9       **(c) ADMINISTRATION.**—

10           **(1) IN GENERAL.**—*Except as provided in para-*  
11 *graph (2), the Secretary of Agriculture shall make as-*  
12 *sistance available under this section in the same man-*  
13 *ner as provided under section 815 of the Agriculture,*  
14 *Rural Development, Food and Drug Administration*  
15 *and Related Agencies Appropriations Act, 2001 (Pub-*  
16 *lic Law 106–387; 114 Stat. 1549A–55), including*  
17 *using the same loss thresholds for quantity and eco-*  
18 *nomical losses as were used in administering that sec-*  
19 *tion, except that the payment rate shall be 42 percent*  
20 *of the established price, instead of 65 percent.*

21           **(2) LOSS THRESHOLDS FOR QUALITY LOSSES.**—  
22 *In the case of a payment for quality loss for a crop*  
23 *under subsection (a), the loss thresholds for quality*  
24 *loss for the crop shall be determined under subsection*  
25 *(d).*

1       (d) *QUALITY LOSSES.*—

2               (1) *IN GENERAL.*—Subject to paragraph (3), the  
3       amount of a payment made to producers on a farm  
4       for a quality loss for a crop under subsection (a) shall  
5       be equal to the amount obtained by multiplying—

6                       (A) 65 percent of the payment quantity de-  
7       termined under paragraph (2); by

8                       (B) 42 percent of the payment rate deter-  
9       mined under paragraph (3).

10              (2) *PAYMENT QUANTITY.*—For the purpose of  
11       paragraph (1)(A), the payment quantity for quality  
12       losses for a crop of a commodity on a farm shall  
13       equal the lesser of—

14                      (A) the actual production of the crop af-  
15       fected by a quality loss of the commodity on the  
16       farm; or

17                      (B) the quantity of expected production of  
18       the crop affected by a quality loss of the com-  
19       modity on the farm, using the formula used by  
20       the Secretary of Agriculture to determine quan-  
21       tity losses for the crop of the commodity under  
22       subsection (a).

23              (3) *PAYMENT RATE.*—For the purpose of para-  
24       graph (1)(B) and in accordance with paragraphs (5)  
25       and (6), the payment rate for quality losses for a crop

1       of a commodity on a farm shall be equal to the dif-  
2       ference between—

3               (A) the per unit market value that the units  
4               of the crop affected by the quality loss would  
5               have had if the crop had not suffered a quality  
6               loss; and

7               (B) the per unit market value of the units  
8               of the crop affected by the quality loss.

9               (4) *ELIGIBILITY.*—For producers on a farm to be  
10              eligible to obtain a payment for a quality loss for a  
11              crop under subsection (a), the amount obtained by  
12              multiplying the per unit loss determined under para-  
13              graph (1) by the number of units affected by the qual-  
14              ity loss shall be at least 25 percent of the value that  
15              all affected production of the crop would have had if  
16              the crop had not suffered a quality loss.

17              (5) *MARKETING CONTRACTS.*—In the case of any  
18              production of a commodity that is sold pursuant to  
19              one or more marketing contracts (regardless of wheth-  
20              er the contract is entered into by the producers on the  
21              farm before or after harvest) and for which appro-  
22              priate documentation exists, the quantity designated  
23              in the contracts shall be eligible for quality loss assist-  
24              ance based on the one or more prices specified in the  
25              contracts.

1           (6) *OTHER PRODUCTION.*—*For any additional*  
2           *production of a commodity for which a marketing*  
3           *contract does not exist or for which production con-*  
4           *tinues to be owned by the producer, quality losses*  
5           *shall be based on the average local market discounts*  
6           *for reduced quality, as determined by the appropriate*  
7           *State committee of the Farm Service Agency.*

8           (7) *QUALITY ADJUSTMENTS AND DISCOUNTS.*—  
9           *The appropriate State committee of the Farm Service*  
10          *Agency shall identify the appropriate quality adjust-*  
11          *ment and discount factors to be considered in car-*  
12          *rying out this subsection, including—*

13                 (A) *the average local discounts actually ap-*  
14                 *plied to a crop; and*

15                 (B) *the discount schedules applied to loans*  
16                 *made by the Farm Service Agency or crop insur-*  
17                 *ance coverage under the Federal Crop Insurance*  
18                 *Act (7 U.S.C. 1501 et seq.).*

19          (8) *ELIGIBLE PRODUCTION.*—*The Secretary of*  
20          *Agriculture shall carry out this subsection in a fair*  
21          *and equitable manner for all eligible production, in-*  
22          *cluding the production of fruits and vegetables, other*  
23          *specialty crops, and field crops.*

24          (e) *PAYMENT LIMITATIONS.*—

1           (1) *LIMIT ON AMOUNT OF ASSISTANCE.*—*Assist-*  
2           *ance provided under this section to a producer for*  
3           *losses to a crop, together with the amounts specified*  
4           *in paragraph (2) applicable to the same crop, may*  
5           *not exceed 95 percent of what the value of the crop*  
6           *would have been in the absence of the losses, as esti-*  
7           *mated by the Secretary of Agriculture.*

8           (2) *OTHER PAYMENTS.*—*In applying the limita-*  
9           *tion in paragraph (1), the Secretary shall include the*  
10          *following:*

11                   (A) *Any crop insurance payment made*  
12                   *under the Federal Crop Insurance Act (7 U.S.C.*  
13                   *1501 et seq.) or payment under section 196 of the*  
14                   *Federal Agriculture Improvement and Reform*  
15                   *Act of 1996 (7 U.S.C. 7333) that the producer*  
16                   *receives for losses to the same crop.*

17                   (B) *The value of the crop that was not lost*  
18                   *(if any), as estimated by the Secretary.*

19          (f) *ELIGIBILITY REQUIREMENTS AND LIMITATIONS.*—  
20          *The producers on a farm shall not be eligible for assistance*  
21          *under this section with respect to losses to an insurable com-*  
22          *modity or noninsurable commodity if the producers on the*  
23          *farm—*

24                   (1) *in the case of an insurable commodity, did*  
25                   *not obtain a policy or plan of insurance for the in-*

1        *insurable commodity under the Federal Crop Insurance*  
2        *Act (7 U.S.C. 1501 et seq.) for the crop incurring the*  
3        *losses;*

4            *(2) in the case of a noninsurable commodity, did*  
5        *not file the required paperwork, and pay the adminis-*  
6        *trative fee by the applicable State filing deadline, for*  
7        *the noninsurable commodity under section 196 of the*  
8        *Federal Agriculture Improvement and Reform Act of*  
9        *1996 (7 U.S.C. 7333) for the crop incurring the*  
10       *losses; or*

11           *(3) were not in compliance with highly erodible*  
12        *land conservation and wetland conservation provi-*  
13        *sions.*

14        *(g) TIMING.—*

15           *(1) IN GENERAL.—Subject to paragraph (2), the*  
16        *Secretary of Agriculture shall make payments to pro-*  
17        *ducers on a farm for a crop under this section not*  
18        *later than 60 days after the date the producers on the*  
19        *farm submit to the Secretary a completed application*  
20        *for the payments.*

21           *(2) INTEREST.—If the Secretary does not make*  
22        *payments to the producers on a farm by the date de-*  
23        *scribed in paragraph (1), the Secretary shall pay to*  
24        *the producers on a farm interest on the payments at*  
25        *a rate equal to the current (as of the sign-up deadline*

1 established by the Secretary) market yield on out-  
2 standing, marketable obligations of the United States  
3 with maturities of 30 years.

4 (h) *DEFINITIONS.*—In this section:

5 (1) *INSURABLE COMMODITY.*—The term “insur-  
6 able commodity” means an agricultural commodity  
7 (excluding livestock) for which the producers on a  
8 farm are eligible to obtain a policy or plan of insur-  
9 ance under the Federal Crop Insurance Act (7 U.S.C.  
10 1501 et seq.).

11 (2) *NONINSURABLE COMMODITY.*—The term  
12 “noninsurable commodity” means a crop for which  
13 the producers on a farm are eligible to obtain assist-  
14 ance under section 196 of the Federal Agriculture Im-  
15 provement and Reform Act of 1996 (7 U.S.C. 7333).

16 **SEC. 9002. LIVESTOCK ASSISTANCE.**

17 (a) *LIVESTOCK COMPENSATION PROGRAM.*—

18 (1) *AVAILABILITY OF ASSISTANCE.*—There are  
19 hereby appropriated to the Secretary of Agriculture  
20 such sums as are necessary, to remain available until  
21 expended, to carry out the livestock compensation pro-  
22 gram established under subpart B of part 1416 of  
23 title 7, Code of Federal Regulations, as announced by  
24 the Secretary on February 12, 2007 (72 Fed. Reg.  
25 6443), to provide compensation for livestock losses be-

1 *tween January 1, 2005 and February 28, 2007, due*  
2 *to a disaster, as determined by the Secretary (includ-*  
3 *ing losses due to blizzards that started in 2006 and*  
4 *continued into January 2007). However, the payment*  
5 *rate for compensation under this subsection shall be*  
6 *61 percent of the payment rate otherwise applicable*  
7 *under such program. In addition, section*  
8 *1416.102(b)(2)(ii) of title 7, Code of Federal Regula-*  
9 *tions (72 Fed. Reg. 6444) shall not apply.*

10 (2) *ELIGIBLE APPLICANTS.—In carrying out the*  
11 *program described in paragraph (1), the Secretary*  
12 *shall provide assistance to any applicant that—*

13 (A) *conducts a livestock operation that is lo-*  
14 *cated in a disaster county with eligible livestock*  
15 *specified in paragraph (1) of section 1416.102(a)*  
16 *of title 7, Code of Federal Regulations (72 Fed.*  
17 *Reg. 6444), an animal described in section*  
18 *10806(a)(1) of the Farm Security and Rural In-*  
19 *vestment Act of 2002 (21 U.S.C. 321d(a)(1)), or*  
20 *other animals designated by the Secretary as*  
21 *livestock for purposes of this subsection; and*

22 (B) *meets the requirements of paragraphs*  
23 *(3) and (4) of section 1416.102(a) of title 7, Code*  
24 *of Federal Regulations, and all other eligibility*

1           *requirements established by the Secretary for the*  
2           *program.*

3           (3) *ELECTION OF LOSSES.—*

4                   (A) *If a producer incurred eligible livestock*  
5                   *losses in more than one of the 2005, 2006, or*  
6                   *2007 calendar years, the producer shall elect to*  
7                   *receive payments under this subsection for losses*  
8                   *incurred in only one of such calendar years, and*  
9                   *such losses must have been incurred in a county*  
10                   *declared or designated as a disaster county in*  
11                   *that same calendar year.*

12                   (B) *Producers may elect to receive com-*  
13                   *ensation for losses in the calendar year 2007*  
14                   *grazing season that are attributable to wildfires*  
15                   *occurring during the applicable period, as deter-*  
16                   *mined by the Secretary.*

17           (4) *MITIGATION.—In determining the eligibility*  
18           *for or amount of payments for which a producer is*  
19           *eligible under the livestock compensation program, the*  
20           *Secretary shall not penalize a producer that takes ac-*  
21           *tions (recognizing disaster conditions) that reduce the*  
22           *average number of livestock the producer owned for*  
23           *grazing during the production year for which assist-*  
24           *ance is being provided.*

25           (5) *DEFINITIONS.—In this subsection:*

1           (A) *DISASTER COUNTY*.—The term “disaster  
2 county” means—

3           (i) a county included in the geographic  
4 area covered by a natural disaster declara-  
5 tion; and

6           (ii) each county contiguous to a county  
7 described in clause (i).

8           (B) *NATURAL DISASTER DECLARATION*.—  
9 The term “natural disaster declaration”  
10 means—

11           (i) a natural disaster declared by the  
12 Secretary between January 1, 2005 and  
13 February 28, 2007, under section 321(a) of  
14 the Consolidated Farm and Rural Develop-  
15 ment Act (7 U.S.C. 1961(a));

16           (ii) a major disaster or emergency des-  
17 ignated by the President between January  
18 1, 2005 and February 28, 2007, under the  
19 Robert T. Stafford Disaster Relief and  
20 Emergency Assistance Act (42 U.S.C. 5121  
21 et seq.); or

22           (iii) a determination of a Farm Serv-  
23 ice Agency Administrator’s Physical Loss  
24 Notice if such notice applies to a county in-  
25 cluded under (ii).

1       **(b) LIVESTOCK INDEMNITY PAYMENTS.—**

2               **(1) AVAILABILITY OF ASSISTANCE.—***There are*  
3       *hereby appropriated to the Secretary of Agriculture*  
4       *such sums as are necessary, to remain available until*  
5       *expended, to make livestock indemnity payments to*  
6       *producers on farms that have incurred livestock losses*  
7       *between January 1, 2005 and February 28, 2007, due*  
8       *to a disaster, as determined by the Secretary (includ-*  
9       *ing losses due to blizzards that started in 2006 and*  
10       *continued into January 2007) in a disaster county.*  
11       *To be eligible for assistance, applicants must meet all*  
12       *eligibility requirements established by the Secretary*  
13       *for the program.*

14               **(2) ELECTION OF LOSSES.—***If a producer in-*  
15       *curring eligible livestock losses in more than one of the*  
16       *2005, 2006, or 2007 calendar years, the producer*  
17       *shall elect to receive payments under this subsection*  
18       *for losses incurred in only one of such calendar years.*  
19       *The producer may not receive payments under this*  
20       *subsection for more than one calendar year.*

21               **(3) PAYMENT RATES.—***Indemnity payments to a*  
22       *producer on a farm under paragraph (1) shall be*  
23       *made at a rate of not less than 26 percent of the mar-*  
24       *ket value of the applicable livestock on the day before*

1       *the date of death of the livestock, as determined by the*  
2       *Secretary.*

3           (4) *LIVESTOCK DEFINED.*—*In this subsection, the*  
4       *term “livestock” means an animal that—*

5                   (A) *is specified in clause (i) of section*  
6                   *1416.203(a)(2) of title 7, Code of Federal Regu-*  
7                   *lations (72 Fed. Reg. 6445), or is designated by*  
8                   *the Secretary as livestock for purposes of this*  
9                   *subsection; and*

10                   (B) *meets the requirements of clauses (iii)*  
11                   *and (iv) of such section.*

12           (5) *DEFINITIONS.*—*In this subsection:*

13                   (A) *DISASTER COUNTY.*—*The term “disaster*  
14                   *county” means—*

15                           (i) *a county included in the geographic*  
16                           *area covered by a natural disaster declara-*  
17                           *tion; and*

18                           (ii) *each county contiguous to a county*  
19                           *described in clause (i).*

20                   (B) *NATURAL DISASTER DECLARATION.*—  
21       *The term “natural disaster declaration”*  
22       *means—*

23                           (i) *a natural disaster declared by the*  
24                           *Secretary between January 1, 2005 and*  
25                           *February 28, 2007, under section 321(a) of*

1           *the Consolidated Farm and Rural Develop-*  
2           *ment Act (7 U.S.C. 1961(a));*

3                   *(ii) a major disaster or emergency des-*  
4           *ignated by the President between January*  
5           *1, 2005 and February 28, 2007, under the*  
6           *Robert T. Stafford Disaster Relief and*  
7           *Emergency Assistance Act (42 U.S.C. 5121*  
8           *et seq.); or*

9                   *(iii) a determination of a Farm Serv-*  
10          *ice Agency Administrator's Physical Loss*  
11          *Notice if such notice applies to a county in-*  
12          *cluded under (ii).*

13   **SEC. 9003. EMERGENCY CONSERVATION PROGRAM.**

14           *There is hereby appropriated to the Secretary of Agri-*  
15          *culture \$16,000,000, to remain available until expended, to*  
16          *provide assistance under the Emergency Conservation Pro-*  
17          *gram under title IV of the Agriculture Credit Act of 1978*  
18          *(16 U.S.C. 2201 et seq.) for the cleanup and restoration*  
19          *of farm and agricultural production lands.*

20   **SEC. 9004. PAYMENT LIMITATIONS.**

21           *(a) REDUCTION IN PAYMENTS TO REFLECT PAYMENTS*  
22          *FOR SAME OR SIMILAR LOSSES.—The amount of any pay-*  
23          *ment for which a producer is eligible under sections 9001*  
24          *and 9002 shall be reduced by any amount received by the*  
25          *producer for the same loss or any similar loss under—*

1           (1) *the Department of Defense, Emergency Sup-*  
2           *plemental Appropriations to Address Hurricanes in*  
3           *the Gulf of Mexico, and Pandemic Influenza Act,*  
4           *2006 (Public Law 109–148; 119 Stat. 2680);*

5           (2) *an agricultural disaster assistance provision*  
6           *contained in the announcement of the Secretary on*  
7           *January 26, 2006 or August 29, 2006; or*

8           (3) *the Emergency Supplemental Appropriations*  
9           *Act for Defense, the Global War on Terror, and Hur-*  
10          *ricane Recovery, 2006 (Public Law 109–234; 120*  
11          *Stat. 418).*

12          (b) *ADJUSTED GROSS INCOME LIMITATION.*—*Section*  
13          *1001D of the Food Security Act of 1985 (7 U.S.C. 1308–*  
14          *3a) shall apply with respect to assistance provided under*  
15          *sections 9001, 9002, and 9003.*

16          **SEC. 9005. ADMINISTRATION.**

17          (a) *REGULATIONS.*—*The Secretary of Agriculture may*  
18          *promulgate such regulations as are necessary to implement*  
19          *sections 9001 and 9002.*

20          (b) *PROCEDURE.*—*The promulgation of the imple-*  
21          *menting regulations and the administration of sections*  
22          *9001 and 9002 shall be made without regard to—*

23                  (1) *the notice and comment provisions of section*  
24                  *553 of title 5, United States Code;*

1           (2) *the Statement of Policy of the Secretary of*  
2           *Agriculture effective July 24, 1971 (36 Fed. Reg.*  
3           *13804), relating to notices of proposed rulemaking*  
4           *and public participation in rulemaking; and*

5           (3) *chapter 35 of title 44, United States Code*  
6           *(commonly known as the “Paperwork Reduction*  
7           *Act”).*

8           (c) *CONGRESSIONAL REVIEW OF AGENCY RULE-*  
9           *MAKING.—In carrying out this section, the Secretary of Ag-*  
10          *riculture shall use the authority provided under section 808*  
11          *of title 5, United States Code.*

12          (d) *USE OF COMMODITY CREDIT CORPORATION; LIM-*  
13          *TATION.—In implementing sections 9001 and 9002, the Sec-*  
14          *retary of Agriculture may use the facilities, services, and*  
15          *authorities of the Commodity Credit Corporation. The Cor-*  
16          *poration shall not make any expenditures to carry out sec-*  
17          *tions 9001 and 9002 unless funds have been specifically ap-*  
18          *propriated for such purpose.*

19          **SEC. 9006. MILK INCOME LOSS CONTRACT PROGRAM.**

20          (a) *Section 1502(c)(3) of the Farm Security and Rural*  
21          *Investment Act of 2002 (7 U.S.C. 7982(c)(3)) is amended—*

22                  (1) *in subparagraph (A), by adding “and” at the*  
23                  *end;*

1           (2) *in subparagraph (B), by striking “August”*  
2           *and all that follows through the end and inserting*  
3           *“September 30, 2007, 34 percent.”; and*

4           (3) *by striking subparagraph (C).*

5           (b) *Section 10002 of this Act shall not apply to this*  
6           *section except with respect to fiscal years 2007 and 2008.*

7           **SEC. 9007. DAIRY ASSISTANCE.**

8           *There is hereby appropriated \$16,000,000 to make*  
9           *payments to dairy producers for dairy production losses in*  
10           *disaster counties, as defined in section 9002 of this title,*  
11           *to remain available until expended.*

12           **SEC. 9008. NONINSURED CROP ASSISTANCE PROGRAM.**

13           *For states in which there is a shortage of claims adjus-*  
14           *tors, as determined by the Secretary, the Secretary shall*  
15           *permit the use of one claims adjustor certified by the Sec-*  
16           *retary in carrying out 7 CFR 1437.401.*

17           **SEC. 9009. EMERGENCY GRANTS TO ASSIST LOW-INCOME**  
18                                   **MIGRANT AND SEASONAL FARMWORKERS.**

19           *There is hereby appropriated \$16,000,000 to carry out*  
20           *section 2281 of the Food, Agriculture, Conservation and*  
21           *Trade Act of 1990 (42 U.S.C. 5177a), to remain available*  
22           *until expended.*

1 **SEC. 9010. CONSERVATION SECURITY PROGRAM.**

2 *Section 20115 of Public Law 110–5 is amended by*  
3 *striking “section 726” and inserting in lieu thereof “section*  
4 *726; section 741”.*

5 **SEC. 9011. ADMINISTRATIVE EXPENSES.**

6 *There is hereby appropriated \$22,000,000 for the*  
7 *“Farm Service Agency, Salaries and Expenses”, to remain*  
8 *available until September 30, 2008.*

9 **SEC. 9012. CONTRACT WAIVER.**

10 *In carrying out crop disaster and livestock assistance*  
11 *in this title, the Secretary shall require forage producers*  
12 *to have participated in a crop insurance pilot program or*  
13 *the Non-Insured Crop Disaster Assistance Program during*  
14 *the crop year for which compensation is received.*

15 **TITLE X—GENERAL PROVISIONS**

16 *SEC. 10001. No part of any appropriation contained*  
17 *in this Act shall remain available for obligation beyond the*  
18 *current fiscal year unless expressly so provided herein.*

19 *SEC. 10002. Amounts in this Act (other than in titles*  
20 *VI and VIII) are designated as emergency requirements and*  
21 *necessary to meet emergency needs pursuant to subsections*  
22 *(a) and (b) of section 204 of S. Con. Res. 21 (110th Con-*

- 1 *gress), the concurrent resolution on the budget for fiscal year*
- 2 *2008.*

*Attest:*

*Clerk.*



110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H.R. 2206**

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**HOUSE AMENDMENT TO  
SENATE AMENDMENT**