

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

*June 19, 2008.*

*Resolved*, That the House agree to the amendments of the Senate to the amendments of the House to the amendment of the Senate to the bill (H.R. 2642) entitled “An Act making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes”, with the following

**HOUSE AMENDMENT TO SENATE AMENDMENTS TO  
HOUSE AMENDMENTS TO SENATE AMENDMENT:**

In lieu of the matter proposed to be inserted by the Senate amendment numbered 2 to the House amendment numbered 2 to the Senate amendment to the bill H.R. 2642, insert the following:

1       *That the following sums are appropriated, out of any*  
2 *money in the Treasury not otherwise appropriated, for the*  
3 *fiscal year ending September 30, 2008, and for other pur-*  
4 *poses, namely:*

1 *TITLE I—MILITARY CONSTRUCTION, VETERANS*  
2 *AFFAIRS, INTERNATIONAL AFFAIRS, AND*  
3 *OTHER SECURITY-RELATED MATTERS*

4 *CHAPTER 1—AGRICULTURE*

5 *DEPARTMENT OF AGRICULTURE*

6 *FOREIGN AGRICULTURAL SERVICE*

7 *PUBLIC LAW 480 TITLE II GRANTS*

8 *For an additional amount for “Public Law 480 Title*  
9 *II Grants”, \$850,000,000, to remain available until ex-*  
10 *pended.*

11 *For an additional amount for “Public Law 480 Title*  
12 *II Grants”, \$395,000,000, to become available on October*  
13 *1, 2008, and to remain available until expended.*

14 *CHAPTER 2—JUSTICE*

15 *DEPARTMENT OF JUSTICE*

16 *OFFICE OF INSPECTOR GENERAL*

17 *For an additional amount for “Office of Inspector*  
18 *General”, \$4,000,000, to remain available until September*  
19 *30, 2009.*

20 *LEGAL ACTIVITIES*

21 *SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES*

22 *For an additional amount for “Salaries and Expenses,*  
23 *General Legal Activities”, \$1,648,000, to remain available*  
24 *until September 30, 2009.*

1     *SALARIES AND EXPENSES, UNITED STATES ATTORNEYS*

2           *For an additional amount for “Salaries and Expenses,*  
3 *United States Attorneys”, \$5,000,000, to remain available*  
4 *until September 30, 2009.*

5                     *UNITED STATES MARSHALS SERVICE*6                             *SALARIES AND EXPENSES*

7           *For an additional amount for “Salaries and Ex-*  
8 *penses”, \$28,621,000, to remain available until September*  
9 *30, 2009.*

10                    *FEDERAL BUREAU OF INVESTIGATION*11                             *SALARIES AND EXPENSES*

12           *For an additional amount for “Salaries and Ex-*  
13 *penses”, \$106,122,000, to remain available until September*  
14 *30, 2009.*

15           *For an additional amount for “Salaries and Ex-*  
16 *penses”, \$82,600,000, to become available on October 1,*  
17 *2008, and to remain available until September 30, 2009.*

18                    *DRUG ENFORCEMENT ADMINISTRATION*19                             *SALARIES AND EXPENSES*

20           *For an additional amount for “Salaries and Ex-*  
21 *penses”, \$29,861,000, to remain available until September*  
22 *30, 2009.*



1 \$187,200,000 for child development centers and trainee and  
2 recruit facilities (including planning and design) shall re-  
3 main available until September 30, 2012: Provided, That  
4 notwithstanding any other provision of law, such funds  
5 may be obligated and expended to carry out planning and  
6 design and military construction projects not otherwise au-  
7 thorized by law: Provided further, That of the funds pro-  
8 vided under this heading, not to exceed \$73,400,000 shall  
9 be available for study, planning, design, and architect and  
10 engineer services: Provided further, That funds provided  
11 under this heading for Iraq shall not be obligated or ex-  
12 pended until the Secretary of Defense certifies to the Com-  
13 mittees on Appropriations of both Houses of Congress that  
14 none of the funds are to be used for the purpose of providing  
15 facilities for the permanent basing of United States mili-  
16 tary personnel in Iraq.

17 *MILITARY CONSTRUCTION, NAVY AND MARINE CORPS*

18 *For an additional amount for “Military Construction,*  
19 *Navy and Marine Corps”, \$355,907,000, of which*  
20 *\$295,516,000 shall remain available until September 30,*  
21 *2009, and of which \$60,391,000 for child development cen-*  
22 *ters and trainee and recruit facilities (including planning*  
23 *and design) shall remain available until September 30,*  
24 *2012: Provided, That notwithstanding any other provision*  
25 *of law, such funds may be obligated and expended to carry*

1 *out planning and design and military construction projects*  
2 *not otherwise authorized by law: Provided further, That of*  
3 *the funds provided under this heading, not to exceed*  
4 *\$15,843,000 shall be available for study, planning, design,*  
5 *and architect and engineer services.*

6 *MILITARY CONSTRUCTION, AIR FORCE*

7 *For an additional amount for “Military Construction,*  
8 *Air Force”, \$399,627,000, of which \$361,600,000 shall re-*  
9 *main available until September 30, 2009, and of which*  
10 *\$38,027,000 for child development centers (including plan-*  
11 *ning and design) shall remain available until September*  
12 *30, 2012: Provided, That notwithstanding any other provi-*  
13 *sion of law, such funds may be obligated and expended to*  
14 *carry out planning and design and military construction*  
15 *projects not otherwise authorized by law: Provided further,*  
16 *That of the funds provided under this heading, not to exceed*  
17 *\$36,427,000 shall be available for study, planning, design,*  
18 *and architect and engineer services: Provided further, That*  
19 *funds provided under this heading for Iraq shall not be obli-*  
20 *gated or expended until the Secretary of Defense certifies*  
21 *to the Committees on Appropriations of both Houses of Con-*  
22 *gress that none of the funds are to be used for the purpose*  
23 *of providing facilities for the permanent basing of United*  
24 *States military personnel in Iraq.*



1 *provision of law, such funds may be obligated and expended*  
2 *to carry out planning and design and military construction*  
3 *projects not otherwise authorized by law.*

4 *DEPARTMENT OF VETERANS AFFAIRS*

5 *DEPARTMENTAL ADMINISTRATION*

6 *GENERAL OPERATING EXPENSES*

7 *For an additional amount for “General Operating Ex-*  
8 *penses”, \$100,000,000, to remain available until September*  
9 *30, 2009.*

10 *INFORMATION TECHNOLOGY SYSTEMS*

11 *For an additional amount for “Information Tech-*  
12 *nology Systems”, \$20,000,000, to remain available until*  
13 *September 30, 2009.*

14 *CONSTRUCTION, MAJOR PROJECTS*

15 *For an additional amount for “Construction, Major*  
16 *Projects”, \$396,377,000, to remain available until ex-*  
17 *pendent, which shall be for acceleration and completion of*  
18 *planned major construction of Level I polytrauma rehabili-*  
19 *tation centers as identified in the Department of Veterans*  
20 *Affairs’ Five Year Capital Plan: Provided, That notwith-*  
21 *standing any other provision of law, such funds may be*  
22 *obligated and expended to carry out planning and design*  
23 *and major medical facility construction not otherwise au-*  
24 *thorized by law: Provided further, That within 30 days of*  
25 *enactment of this Act the Secretary shall submit to the Com-*

1 *mittees on Appropriations of both Houses of Congress an*  
2 *expenditure plan for funds provided under this heading.*

3 **GENERAL PROVISIONS, THIS CHAPTER**

4 *SEC. 1301. In addition to amounts otherwise appro-*  
5 *priated or made available under the heading “Military*  
6 *Construction, Army”, there is hereby appropriated an addi-*  
7 *tional \$200,000,000, to remain available until September*  
8 *30, 2012, to accelerate barracks improvements at Depart-*  
9 *ment of Army installations: Provided, That notwith-*  
10 *standing any other provision of law, such funds may be*  
11 *obligated and expended to carry out planning and design*  
12 *and barracks construction not otherwise authorized by law:*  
13 *Provided further, That within 30 days of enactment of this*  
14 *Act the Secretary of the Army shall submit to the Commit-*  
15 *tees on Appropriations of both Houses of Congress an ex-*  
16 *penditure plan for barracks construction prior to obliga-*  
17 *tion.*

18 *SEC. 1302. None of the funds appropriated in this or*  
19 *any other Act may be used to disestablish, reorganize, or*  
20 *relocate the Armed Forces Institute of Pathology, except for*  
21 *the Armed Forces Medical Examiner, until the President*  
22 *has established, as required by section 722 of the National*  
23 *Defense Authorization Act for Fiscal Year 2008 (Public*  
24 *Law 110–181; 122 Stat. 199; 10 U.S.C. 176 note), a Joint*  
25 *Pathology Center.*

1       *SEC. 1303. (a) LIMITATION ON AUTHORITY.—*

2               *(1) IN GENERAL.—Chapter 53 of title 38, United*  
3       *States Code, is amended by inserting after section*  
4       *5302 the following new section:*

5       ***“§5302A Collection of indebtedness: certain debts of***  
6               ***members of the Armed Forces and vet-***  
7               ***erans who die of injury incurred or aggra-***  
8               ***vated in the line of duty in a combat zone***

9       ***“(a) LIMITATION ON AUTHORITY.—The Secretary may***  
10       *not collect all or any part of an amount owed to the United*  
11       *States by a member of the Armed Forces or veteran de-*  
12       *scribed in subsection (b) under any program under the laws*  
13       *administered by the Secretary, other than a program re-*  
14       *ferred to in subsection (c), if the Secretary determines that*  
15       *termination of collection is in the best interest of the United*  
16       *States.*

17       ***“(b) COVERED INDIVIDUALS.—A member of the Armed***  
18       *Forces or veteran described in this subsection is any mem-*  
19       *ber or veteran who dies as a result of an injury incurred*  
20       *or aggravated in the line of duty while serving in a theater*  
21       *of combat operations (as determined by the Secretary in*  
22       *consultation with the Secretary of Defense) in a war or in*  
23       *combat against a hostile force during a period of hostilities*  
24       *(as that term is defined in section 1712A(a)(2)(B) of this*  
25       *title) after September 11, 2001.*

1           “(c) *INAPPLICABILITY TO HOUSING AND SMALL BUSI-*  
2 *NESS BENEFIT PROGRAMS.*—*The limitation on authority*  
3 *in subsection (a) shall not apply to any amounts owed the*  
4 *United States under any program carried out under chap-*  
5 *ter 37 of this title.*”.

6           (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
7 *tions at the beginning of chapter 53 of such title is*  
8 *amended by inserting after the item relating to sec-*  
9 *tion 5302 the following new item:*

          “5302A. *Collection of indebtedness: certain debts of members of the Armed Forces*  
          *and veterans who die of injury incurred or aggravated in the*  
          *line of duty in a combat zone.*”.

10          (b) *EQUITABLE REFUND.*—*In any case where all or*  
11 *any part of an indebtedness of a covered individual, as de-*  
12 *scribed in section 5302A(a) of title 38, United States Code,*  
13 *as added by subsection (a)(1), was collected after September*  
14 *11, 2001, and before the date of the enactment of this Act,*  
15 *and the Secretary of Veterans Affairs determines that such*  
16 *indebtedness would have been terminated had such section*  
17 *been in effect at such time, the Secretary may refund the*  
18 *amount so collected if the Secretary determines that the in-*  
19 *dividual is equitably entitled to such refund.*

20          (c) *EFFECTIVE DATE.*—*The amendments made by this*  
21 *section shall take effect on the date of the enactment of this*  
22 *Act, and shall apply with respect to collections of indebted-*  
23 *ness of members of the Armed Forces and veterans who die*  
24 *on or after September 11, 2001.*

1       (d) *SHORT TITLE*.—*This section may be cited as the*  
2 *“Combat Veterans Debt Elimination Act of 2008”.*

3       *CHAPTER 4—DEPARTMENT OF STATE AND*  
4                   *FOREIGN OPERATIONS*  
5                   *SUBCHAPTER A—SUPPLEMENTAL*  
6                   *APPROPRIATIONS FOR FISCAL YEAR 2008*

7                   *DEPARTMENT OF STATE*  
8                   *ADMINISTRATION OF FOREIGN AFFAIRS*  
9                   *DIPLOMATIC AND CONSULAR PROGRAMS*

10       *For an additional amount for “Diplomatic and Con-*  
11 *sular Programs”, \$1,465,700,000, to remain available until*  
12 *September 30, 2009, of which \$210,400,000 is for worldwide*  
13 *security protection and shall remain available until ex-*  
14 *pendent: Provided, That not more than \$1,150,000,000 of the*  
15 *funds appropriated under this heading shall be available*  
16 *for diplomatic operations in Iraq: Provided further, That*  
17 *of the funds appropriated under this heading, not more*  
18 *than \$30,000,000 shall be made available to establish and*  
19 *implement a coordinated civilian response capacity at the*  
20 *United States Department of State.*

21                   *OFFICE OF INSPECTOR GENERAL*  
22                   *(INCLUDING TRANSFER OF FUNDS)*

23       *For an additional amount for “Office of Inspector*  
24 *General”, \$9,500,000, to remain available until September*  
25 *30, 2009: Provided, That \$2,500,000 shall be transferred to*

1 *the Special Inspector General for Iraq Reconstruction for*  
2 *reconstruction oversight, and \$2,000,000 shall be trans-*  
3 *ferred to the Special Inspector General for Afghanistan Re-*  
4 *construction for reconstruction oversight.*

5 *EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE*

6 *For an additional amount for “Embassy Security,*  
7 *Construction, and Maintenance”, \$76,700,000, to remain*  
8 *available until expended, for facilities in Afghanistan.*

9 *INTERNATIONAL ORGANIZATIONS*

10 *CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS*

11 *For an additional amount for “Contributions to Inter-*  
12 *national Organizations”, \$66,000,000, to remain available*  
13 *until September 30, 2009.*

14 *CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING*

15 *ACTIVITIES*

16 *For an additional amount for “Contributions for*  
17 *International Peacekeeping Activities”, \$373,708,000, to re-*  
18 *main available until September 30, 2009, of which*  
19 *\$333,600,000 shall be made available for the United Na-*  
20 *tions-African Union Hybrid Mission in Darfur.*

1                                    *RELATED AGENCY*  
2                                    *BROADCASTING BOARD OF GOVERNORS*  
3                                    *INTERNATIONAL BROADCASTING OPERATIONS*  
4                                    *For an additional amount for “International Broad-*  
5 *casting Operations”, \$2,000,000, to remain available until*  
6 *September 30, 2009.*

7                                    *BILATERAL ECONOMIC ASSISTANCE*  
8                                    *FUNDS APPROPRIATED TO THE PRESIDENT*  
9                                    *INTERNATIONAL DISASTER ASSISTANCE*  
10                                   *For an additional amount for “International Disaster*  
11 *Assistance”, \$220,000,000, to remain available until ex-*  
12 *pendent.*

13                                   *OPERATING EXPENSES OF THE UNITED STATES AGENCY*  
14                                   *FOR INTERNATIONAL DEVELOPMENT*  
15                                   *For an additional amount for “Operating Expenses of*  
16 *the United States Agency for International Development”,*  
17 *\$150,500,000, to remain available until September 30,*  
18 *2009: Provided, That of the funds appropriated under this*  
19 *heading, not more than \$25,000,000 shall be made available*  
20 *to establish and implement a coordinated civilian response*  
21 *capacity at the United States Agency for International De-*  
22 *velopment.*

1 OPERATING EXPENSES OF THE UNITED STATES AGENCY  
2 FOR INTERNATIONAL DEVELOPMENT OFFICE OF IN-  
3 SPECTOR GENERAL

4 For an additional amount for “Operating Expenses of  
5 the United States Agency for International Development  
6 Office of Inspector General”, \$4,000,000, to remain avail-  
7 able until September 30, 2009.

8 OTHER BILATERAL ECONOMIC ASSISTANCE  
9 ECONOMIC SUPPORT FUND

10 For an additional amount for “Economic Support  
11 Fund”, \$1,882,500,000, to remain available until Sep-  
12 tember 30, 2009, of which not more than \$424,000,000 may  
13 be made available for assistance for Iraq, \$175,000,000  
14 shall be made available for assistance for Jordan to meet  
15 the needs of Iraqi refugees, and up to \$53,000,000 may be  
16 made available for energy-related assistance for North  
17 Korea, notwithstanding any other provision of law: Pro-  
18 vided, That not more than \$171,000,000 of the funds appro-  
19 priated under this heading in this subchapter shall be made  
20 available for assistance for the West Bank and Gaza and  
21 none of such funds shall be for cash transfer assistance: Pro-  
22 vided further, That of the funds appropriated under this  
23 heading, \$1,000,000 shall be made available for the Office  
24 of the United Nations High Commissioner for Human  
25 Rights in Mexico: Provided further, That the funds made

1 *available under this heading for energy-related assistance*  
2 *for North Korea may be made available to support the goals*  
3 *of the Six Party Talks Agreements after the Secretary of*  
4 *State determines and reports to the Committees on Appro-*  
5 *priations that North Korea is continuing to fulfill its com-*  
6 *mitments under such agreements.*

7 *DEPARTMENT OF STATE*

8 *DEMOCRACY FUND*

9 *For an additional amount for “Democracy Fund”,*  
10 *\$76,000,000, to remain available until September 30, 2009,*  
11 *of which \$75,000,000 shall be for democracy programs in*  
12 *Iraq and \$1,000,000 shall be for democracy programs in*  
13 *Chad.*

14 *INTERNATIONAL NARCOTICS CONTROL AND LAW*

15 *ENFORCEMENT*

16 *For an additional amount for “International Nar-*  
17 *cotics Control and Law Enforcement”, \$390,300,000, to re-*  
18 *main available until September 30, 2009, of which not more*  
19 *than \$25,000,000 shall be made available for security assist-*  
20 *ance for the West Bank.*

21 *MIGRATION AND REFUGEE ASSISTANCE*

22 *For an additional amount for “Migration and Refugee*  
23 *Assistance”, \$315,000,000, to remain available until ex-*  
24 *pendent.*

1     *UNITED STATES EMERGENCY REFUGEE AND MIGRATION*  
2                                     *ASSISTANCE FUND*

3             *For an additional amount for “United States Emer-*  
4 *gency Refugee and Migration Assistance Fund”,*  
5 *\$31,000,000, to remain available until expended.*

6     *NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND*  
7                                     *RELATED PROGRAMS*

8             *For an additional amount for “Nonproliferation,*  
9 *Anti-Terrorism, Demining and Related Programs”,*  
10 *\$13,700,000, to remain available until September 30, 2009.*

11                                     *MILITARY ASSISTANCE*

12                                     *FUNDS APPROPRIATED TO THE PRESIDENT*

13                                     *FOREIGN MILITARY FINANCING PROGRAM*

14             *For an additional amount for “Foreign Military Fi-*  
15 *ancing Program”, \$137,500,000, to remain available until*  
16 *September 30, 2009, of which \$17,000,000 shall be made*  
17 *available for assistance for Jordan and up to \$116,500,000*  
18 *may be made available for assistance for Mexico.*

19             *Not more than \$1,350,000 of the funds appropriated*  
20 *or otherwise made available under the heading “Foreign*  
21 *Military Financing Program” by the Department of State,*  
22 *Foreign Operations, and Related Programs Appropriations*  
23 *Act, 2008 (division J of Public Law 110–161) that were*  
24 *previously transferred to and merged with “Diplomatic and*  
25 *Consular Programs” may be made available for any pur-*

1 *poses authorized for that account, of which up to \$500,000*  
 2 *shall be made available to increase the capacity of the*  
 3 *United States Embassy in Mexico City to implement sec-*  
 4 *tion 620J of the Foreign Assistance Act of 1961: Provided,*  
 5 *That funds made available by this paragraph shall not be*  
 6 *subject to Section 8002 of this Act.*

7 *SUBCHAPTER B—BRIDGE FUND SUPPLEMENTAL*  
 8 *APPROPRIATIONS FOR FISCAL YEAR 2009*

9 *DEPARTMENT OF STATE*

10 *ADMINISTRATION OF FOREIGN AFFAIRS*

11 *DIPLOMATIC AND CONSULAR PROGRAMS*

12 *For an additional amount for “Diplomatic and Con-*  
 13 *sular Programs”, \$704,900,000, which shall become avail-*  
 14 *able on October 1, 2008, and remain available through Sep-*  
 15 *tember 30, 2009: Provided, That of the funds appropriated*  
 16 *under this heading, \$78,400,000 is for worldwide security*  
 17 *protection and shall remain available until expended: Pro-*  
 18 *vided further, That not more than \$550,500,000 of the funds*  
 19 *appropriated under this heading shall be available for dip-*  
 20 *lomatic operations in Iraq.*

21 *OFFICE OF INSPECTOR GENERAL*

22 *(INCLUDING TRANSFER OF FUNDS)*

23 *For an additional amount for “Office of Inspector*  
 24 *General”, \$57,000,000, which shall become available on Oc-*  
 25 *tober 1, 2008, and remain available through September 30,*

1 2009: *Provided, That \$36,500,000 shall be transferred to the*  
2 *Special Inspector General for Iraq Reconstruction for recon-*  
3 *struction oversight and \$5,000,000 shall be transferred to*  
4 *the Special Inspector General for Afghanistan Reconstruc-*  
5 *tion for reconstruction oversight.*

6 *EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE*

7 *For an additional amount for “Embassy Security,*  
8 *Construction, and Maintenance”, \$41,300,000, which shall*  
9 *become available on October 1, 2008, and remain available*  
10 *until expended, for facilities in Afghanistan.*

11 *INTERNATIONAL ORGANIZATIONS*

12 *CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS*

13 *For an additional amount for “Contributions to Inter-*  
14 *national Organizations”, \$75,000,000, which shall become*  
15 *available on October 1, 2008, and remain available through*  
16 *September 30, 2009.*

17 *CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING*

18 *ACTIVITIES*

19 *For an additional amount for “Contributions for*  
20 *International Peacekeeping Activities”, \$150,500,000,*  
21 *which shall become available on October 1, 2008, and re-*  
22 *main available through September 30, 2009.*

1                                    *RELATED AGENCY*  
2                                    *BROADCASTING BOARD OF GOVERNORS*  
3                                    *INTERNATIONAL BROADCASTING OPERATIONS*

4            *For an additional amount for “International Broad-*  
5 *casting Operations”, \$6,000,000, which shall become avail-*  
6 *able on October 1, 2008, and remain available through Sep-*  
7 *tember 30, 2009.*

8                                    *BILATERAL ECONOMIC ASSISTANCE*  
9                                    *FUNDS APPROPRIATED TO THE PRESIDENT*  
10                                   *GLOBAL HEALTH AND CHILD SURVIVAL*

11           *For an additional amount for “Global Health and*  
12 *Child Survival”, \$75,000,000, which shall become available*  
13 *on October 1, 2008, and remain available through Sep-*  
14 *tember 30, 2009, for programs to combat avian influenza.*

15                                   *DEVELOPMENT ASSISTANCE*

16           *For an additional amount for “Development Assist-*  
17 *ance”, \$200,000,000, for assistance for developing countries*  
18 *to address the international food crisis notwithstanding any*  
19 *other provision of law, which shall become available on Oc-*  
20 *tober 1, 2008, and remain available through September 30,*  
21 *2010: Provided, That such assistance should be carried out*  
22 *consistent with the purposes of section 103(a)(1) of the For-*  
23 *ign Assistance Act of 1961: Provided further, That not*  
24 *more than \$50,000,000 should be made available for local*  
25 *or regional purchase and distribution of food: Provided fur-*

1 *ther, That the Secretary of State shall submit to the Com-*  
2 *mittees on Appropriations not later than 45 days after en-*  
3 *actment of this Act, and prior to the initial obligation of*  
4 *funds appropriated under this heading, a report on the pro-*  
5 *posed uses of such funds to alleviate hunger and malnutri-*  
6 *tion, including a list of those countries facing significant*  
7 *food shortages.*

8 *INTERNATIONAL DISASTER ASSISTANCE*

9 *For an additional amount for “International Disaster*  
10 *Assistance”, \$200,000,000, which shall become available on*  
11 *October 1, 2008, and remain available until expended.*

12 *OPERATING EXPENSES OF THE UNITED STATES AGENCY*

13 *FOR INTERNATIONAL DEVELOPMENT*

14 *For an additional amount for “Operating Expenses of*  
15 *the United States Agency for International Development”,*  
16 *\$93,000,000, which shall become available on October 1,*  
17 *2008, and remain available through September 30, 2009.*

18 *OPERATING EXPENSES OF THE UNITED STATES AGENCY*

19 *FOR INTERNATIONAL DEVELOPMENT OFFICE OF IN-*  
20 *SPECTOR GENERAL*

21 *For an additional amount for “Operating Expenses of*  
22 *the United States Agency for International Development*  
23 *Office of Inspector General”, \$1,000,000, which shall become*  
24 *available on October 1, 2008, and remain available through*  
25 *September 30, 2009.*

1            *OTHER BILATERAL ECONOMIC ASSISTANCE*2                            *ECONOMIC SUPPORT FUND*

3            *For an additional amount for “Economic Support*  
4 *Fund”, \$1,124,800,000, which shall become available on Oc-*  
5 *tober 1, 2008, and remain available through September 30,*  
6 *2009, of which not more than \$102,500,000 may be made*  
7 *available for assistance for Iraq, \$100,000,000 shall be*  
8 *made available for assistance for Jordan, not more than*  
9 *\$455,000,000 may be made available for assistance for Af-*  
10 *ghanistan, not more than \$150,000,000 may be made avail-*  
11 *able for assistance for Pakistan, not more than*  
12 *\$150,000,000 shall be made available for assistance for the*  
13 *West Bank and Gaza, and \$15,000,000 may be made avail-*  
14 *able for energy-related assistance for North Korea, notwith-*  
15 *standing any other provision of law.*

16                            *DEPARTMENT OF STATE*17                            *INTERNATIONAL NARCOTICS CONTROL AND LAW*18                                    *ENFORCEMENT*

19            *For an additional amount for “International Nar-*  
20 *cotics Control and Law Enforcement”, \$199,000,000, which*  
21 *shall become available on October 1, 2008, and remain*  
22 *available through September 30, 2009: Provided, That not*  
23 *more than \$50,000,000 of the funds appropriated under this*  
24 *heading shall be made available for security assistance for*

1 *the West Bank and up to \$48,000,000 may be made avail-*  
2 *able for assistance for Mexico.*

3 *MIGRATION AND REFUGEE ASSISTANCE*

4 *For an additional amount for “Migration and Refugee*  
5 *Assistance”, \$350,000,000, which shall become available on*  
6 *October 1, 2008, and remain available until expended.*

7 *NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND*  
8 *RELATED PROGRAMS*

9 *For an additional amount for “Nonproliferation,*  
10 *Anti-Terrorism, Demining and Related Programs”,*  
11 *\$4,500,000, for humanitarian demining assistance for Iraq,*  
12 *which shall become available on October 1, 2008, and re-*  
13 *main available through September 30, 2009.*

14 *MILITARY ASSISTANCE*

15 *FUNDS APPROPRIATED TO THE PRESIDENT*

16 *FOREIGN MILITARY FINANCING PROGRAM*

17 *For an additional amount for “Foreign Military Fi-*  
18 *nancing Program”, \$302,500,000, which shall become avail-*  
19 *able on October 1, 2008, and remain available through Sep-*  
20 *tember 30, 2009, of which \$100,000,000 shall be made avail-*  
21 *able for assistance for Jordan, and not less than*  
22 *\$170,000,000 shall be available for grants only for Israel*  
23 *and shall be disbursed not later than November 1, 2008:*  
24 *Provided, That section 3802(c) of title III, chapter 8 of Pub-*

1 *lic Law 110–28 shall apply to funds made available under*  
2 *this heading for assistance for Lebanon.*

3 *PEACEKEEPING OPERATIONS*

4 *For an additional amount for “Peacekeeping Oper-*  
5 *ations”, \$95,000,000, which shall become available on Octo-*  
6 *ber 1, 2008, and remain available through September 30,*  
7 *2009.*

8 *SUBCHAPTER C—GENERAL PROVISIONS, THIS*  
9 *CHAPTER*

10 *EXTENSION OF AUTHORITIES*

11 *SEC. 1401. Funds appropriated by this chapter may*  
12 *be obligated and expended notwithstanding section 10 of*  
13 *Public Law 91–672 (22 U.S.C. 2412), section 15 of the*  
14 *State Department Basic Authorities Act of 1956 (22 U.S.C.*  
15 *2680), section 313 of the Foreign Relations Authorization*  
16 *Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6212), and*  
17 *section 504(a)(1) of the National Security Act of 1947 (50*  
18 *U.S.C. 414(a)(1)).*

19 *IRAQ*

20 *SEC. 1402. (a) ASSET TRANSFER AGREEMENT.—*

21 *(1) None of the funds appropriated by this chap-*  
22 *ter for infrastructure maintenance activities in Iraq*  
23 *may be made available until the Secretary of State*  
24 *certifies and reports to the Committees on Appropria-*  
25 *tions that the Governments of the United States and*  
26 *Iraq have entered into, and are implementing, an*

1        *asset transfer agreement that includes commitments*  
2        *by the Government of Iraq to maintain United*  
3        *States-funded infrastructure in Iraq.*

4            (2) *None of the funds appropriated by this chap-*  
5        *ter may be made available for the construction of*  
6        *prison facilities in Iraq.*

7        (b) *ANTI-CORRUPTION.*—*Not more than 40 percent of*  
8        *the funds appropriated by this chapter for rule of law pro-*  
9        *grams in Iraq may be made available for assistance for the*  
10       *Government of Iraq until the Secretary of State reports to*  
11       *the Committees on Appropriations that a comprehensive*  
12       *anti-corruption strategy has been developed, and is being*  
13       *implemented, by the Government of Iraq, and the Secretary*  
14       *of State submits a list, in classified form if necessary, to*  
15       *the Committees on Appropriations of senior Iraqi officials*  
16       *who the Secretary has credible evidence to believe have com-*  
17       *mited corrupt acts.*

18       (c) *PROVINCIAL RECONSTRUCTION TEAMS.*—*None of*  
19       *the funds appropriated by this chapter for the operational*  
20       *or program expenses of Provincial Reconstruction Teams*  
21       *(PRTs) in Iraq may be made available until the Secretary*  
22       *of State submits a report to the Committees on Appropria-*  
23       *tions detailing—*

24            (1) *the strategy for the eventual winding down*  
25        *and close out of PRTs;*

1           (2) *anticipated costs associated with PRT oper-*  
2           *ations, programs, and eventual winding down and*  
3           *close out, including security for PRT personnel and*  
4           *anticipated Government of Iraq contributions; and*

5           (3) *anticipated placement and cost estimates of*  
6           *future United States Consulates in Iraq.*

7           (d) *COMMUNITY STABILIZATION PROGRAM.—Not more*  
8           *than 50 percent of the funds appropriated by this chapter*  
9           *for the Community Stabilization Program in Iraq may be*  
10          *made available until the Secretary of State certifies and*  
11          *reports to the Committees on Appropriations that the*  
12          *United States Agency for International Development is im-*  
13          *plementing recommendations contained in Office of Inspec-*  
14          *tor General Audit Report No. E-267-08-001-P to ensure ac-*  
15          *countability of funds.*

16          (e) *MATCHING REQUIREMENT.—*

17                 (1) *Notwithstanding any other provision of law,*  
18                 *funds appropriated by this chapter for assistance for*  
19                 *Iraq shall be made available only to the extent that*  
20                 *the Government of Iraq matches such assistance on a*  
21                 *dollar-for-dollar basis.*

22                 (2) *Paragraph (1) shall not apply to funds made*  
23                 *available for—*

1           (A) grants and cooperative agreements for  
2 programs to promote democracy and human  
3 rights;

4           (B) the Community Action Program and  
5 other assistance through civil society organiza-  
6 tions;

7           (C) humanitarian demining; or

8           (D) assistance for refugees, internally dis-  
9 placed persons, and civilian victims of the mili-  
10 tary operations.

11           (3) The Secretary of State shall certify to the  
12 Committees on Appropriations prior to the initial ob-  
13 ligation of funds pursuant to this section that the  
14 Government of Iraq has committed to obligate match-  
15 ing funds on a dollar-for-dollar basis. The Secretary  
16 shall submit a report to the Committees on Appro-  
17 priations not later than September 30, 2008, and 180  
18 days thereafter, detailing the amounts of funds obli-  
19 gated and expended by the Government of Iraq to  
20 meet the requirements of this section.

21           (4) Not later than 45 days after enactment of  
22 this Act, the Secretary of State shall submit a report  
23 to the Committees on Appropriations detailing the  
24 amounts provided by the Government of Iraq since  
25 June 30, 2004, to assist Iraqi refugees in Syria, Jor-



1 *tration, and other disciplines necessary to rebuild the coun-*  
2 *try, in which the participation of women is emphasized.*

3 *(c) POST-OPERATIONS ASSISTANCE.—Of the funds ap-*  
4 *propriated by this chapter under the heading “Economic*  
5 *Support Fund” that are available for assistance for Afghan-*  
6 *istan, not less than \$2,000,000 shall be made available for*  
7 *a United States contribution to the North Atlantic Treaty*  
8 *Organization/International Security Assistance Force Post-*  
9 *Operations Humanitarian Relief Fund.*

10 *(d) ANTI-CORRUPTION.—Not later than 90 days after*  
11 *the enactment of this Act, the Secretary of State shall—*

12 *(1) submit a report to the Committees on Appro-*  
13 *propriations on actions being taken by the Government*  
14 *of Afghanistan to combat corruption within the na-*  
15 *tional and provincial governments, including to re-*  
16 *move and prosecute officials who have committed cor-*  
17 *rupt acts;*

18 *(2) submit a list to the Committees on Appro-*  
19 *propriations, in classified form if necessary, of senior Af-*  
20 *ghan officials who the Secretary has credible evidence*  
21 *to believe have committed corrupt acts; and*

22 *(3) certify and report to the Committees on Ap-*  
23 *propriations that effective mechanisms are in place to*  
24 *ensure that assistance to national government min-*

1 *istries and provincial governments will be properly*  
2 *accounted for.*

3 *WEST BANK*

4 *SEC. 1404. Not later than 90 days after the date of*  
5 *enactment of this Act and 180 days thereafter, the Secretary*  
6 *of State shall submit to the Committees on Appropriations*  
7 *a report on assistance provided by the United States for*  
8 *the training of Palestinian security forces, including de-*  
9 *tailed descriptions of the training, curriculum, and equip-*  
10 *ment provided; an assessment of the training and the per-*  
11 *formance of forces after training has been completed; and*  
12 *a description of the assistance that has been pledged and*  
13 *provided to Palestinian security forces by other donors: Pro-*  
14 *vided, That not later than 90 days after the date of enact-*  
15 *ment of this Act, the Secretary of State shall report to the*  
16 *Committees on Appropriations, in classified form if nec-*  
17 *essary, on the security strategy of the Palestinian Author-*  
18 *ity.*

19 *WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA*

20 *SEC. 1405. (a) WAIVER AUTHORITY.—*

21 *(1) IN GENERAL.—Except as provided in sub-*  
22 *section (b), the President may waive in whole or in*  
23 *part, with respect to North Korea, the application of*  
24 *any sanction contained in subparagraph (A), (B),*  
25 *(D) or (G) under section 102(b)(2) of the Arms Ex-*

1 *port Control Act (22 U.S.C. 2799aa–1(b)), for the*  
2 *purpose of providing assistance related to—*

3 *(A) the implementation and verification of*  
4 *the compliance by North Korea with its commit-*  
5 *ment, undertaken in the Joint Statement of Sep-*  
6 *tember 19, 2005, to abandon all nuclear weapons*  
7 *and existing nuclear programs as part of the*  
8 *verifiable denuclearization of the Korean Penin-*  
9 *sula; and*

10 *(B) the elimination of the capability of*  
11 *North Korea to develop, deploy, transfer, or*  
12 *maintain weapons of mass destruction and their*  
13 *delivery systems.*

14 *(2) LIMITATION.—The authority under para-*  
15 *graph (1) shall expire 5 years after the date of enact-*  
16 *ment of this Act.*

17 *(b) EXCEPTIONS.—*

18 *(1) LIMITED EXCEPTION RELATED TO CERTAIN*  
19 *SANCTIONS AND PROHIBITIONS.—The authority under*  
20 *subsection (a) shall not apply with respect to a sanc-*  
21 *tion or prohibition under subparagraph (B) or (G) of*  
22 *section 102(b)(2) of the Arms Export Control Act, un-*  
23 *less the President determines and certifies to the ap-*  
24 *propriate congressional committees that—*

1           (A) all reasonable steps will be taken to as-  
2           sure that the articles or services exported or oth-  
3           erwise provided will not be used to improve the  
4           military capabilities of the armed forces of North  
5           Korea; and

6           (B) such waiver is in the national security  
7           interests of the United States.

8           (2) *LIMITED EXCEPTION RELATED TO CERTAIN*  
9           *ACTIVITIES.*—Unless the President determines and  
10          certifies to the appropriate congressional committees  
11          that using the authority under subsection (a) is vital  
12          to the national security interests of the United States,  
13          such authority shall not apply with respect to—

14                (A) an activity described in subparagraph  
15                (A) of section 102(b)(1) of the Arms Export Con-  
16                trol Act that occurs after September 19, 2005,  
17                and before the date of the enactment of this Act;

18                (B) an activity described in subparagraph  
19                (C) of such section that occurs after September  
20                19, 2005; or

21                (C) an activity described in subparagraph  
22                (D) of such section that occurs after the date of  
23                enactment of this Act.

24           (3) *EXCEPTION RELATED TO CERTAIN ACTIVITIES*  
25          *OCCURRING AFTER DATE OF ENACTMENT.*—The au-

1 *thority under subsection (a) shall not apply with re-*  
2 *spect to an activity described in subparagraph (A) or*  
3 *(B) of section 102(b)(1) of the Arms Export Control*  
4 *Act that occurs after the date of the enactment of this*  
5 *Act.*

6 (4) *LIMITED EXCEPTION RELATED TO LETHAL*  
7 *WEAPONS.—The authority under subsection (a) shall*  
8 *not apply with respect to any export of lethal defense*  
9 *articles that would be prevented by the application of*  
10 *section 102(b)(2) of the Arms Export Control Act.*

11 *(c) NOTIFICATIONS AND REPORTS.—*

12 (1) *CONGRESSIONAL NOTIFICATION.—The Presi-*  
13 *dent shall notify the appropriate congressional com-*  
14 *mittees in writing not later than 15 days before exer-*  
15 *cising the waiver authority under subsection (a).*

16 (2) *ANNUAL REPORT.—Not later than January*  
17 *31, 2009, and annually thereafter, the President shall*  
18 *submit to the appropriate congressional committees a*  
19 *report that—*

20 (A) *lists all waivers issued under subsection*

21 *(a) during the preceding year;*

22 (B) *describes in detail the progress that is*  
23 *being made in the implementation of the com-*  
24 *mitment undertaken by North Korea, in the*  
25 *Joint Statement of September 19, 2005, to aban-*

1           *don all nuclear weapons and existing nuclear*  
2           *programs as part of the verifiable*  
3           *denuclearization of the Korean Peninsula;*

4           *(C) discusses specifically any shortcomings*  
5           *in the implementation by North Korea of that*  
6           *commitment; and*

7           *(D) lists and describes the progress and*  
8           *shortcomings, in the preceding year, of all other*  
9           *programs promoting the elimination of the capa-*  
10          *bility of North Korea to develop, deploy, transfer,*  
11          *or maintain weapons of mass destruction or*  
12          *their delivery systems.*

13          (3) *REPORT ON VERIFICATION MEASURES RELAT-*  
14          *ING TO NORTH KOREA'S NUCLEAR PROGRAMS.—*

15           *(A) IN GENERAL.—Not later than 15 days*  
16           *after the date of enactment of this Act, the Sec-*  
17           *retary of State shall submit to the appropriate*  
18           *congressional committees a report on verification*  
19           *measures relating to North Korea's nuclear pro-*  
20           *grams under the Six-Party Talks Agreement of*  
21           *February 13, 2007, with specific focus on how*  
22           *such verification measures are defined under the*  
23           *Six-Party Talks Agreement and understood by*  
24           *the United States Government.*

1           (B) *MATTERS TO BE INCLUDED.*—The re-  
2           port required under subsection (A) shall include,  
3           among other elements, a description of—

4                   (i) how the United States will confirm  
5                   that North Korea has “provided a complete  
6                   and correct declaration of all of its nuclear  
7                   programs”;

8                   (ii) how the United States will main-  
9                   tain a high and ongoing level of confidence  
10                  that North Korea has fully met the terms of  
11                  the Six-Party Talks Agreement relating to  
12                  its nuclear programs;

13                  (iii) any diplomatic agreement with  
14                  North Korea regarding verification meas-  
15                  ures relating to North Korea’s nuclear pro-  
16                  grams under the Six-Party Talks Agreement  
17                  (other than implementing arrangements  
18                  made during on-site operations); and

19                  (iv) any significant and continuing  
20                  disagreement with North Korea regarding  
21                  verification measures relating to North Ko-  
22                  rea’s nuclear programs under the Six-Party  
23                  Talks Agreement.



1 *for budget support or as cash payments: Provided further,*  
2 *That not more than 45 days after enactment of this Act,*  
3 *and after consulting with relevant Mexican Government au-*  
4 *thorities, the Secretary of State shall report in writing to*  
5 *the Committees on Appropriations on the procedures in*  
6 *place to implement section 620J of the Foreign Assistance*  
7 *Act of 1961.*

8       **(b) ALLOCATION OF FUNDS.**—*Fifteen percent of the*  
9 *funds made available in this chapter for assistance for Mex-*  
10 *ico under the headings “International Narcotics Control*  
11 *and Law Enforcement” and “Foreign Military Financing*  
12 *Program” may not be obligated until the Secretary of State*  
13 *reports in writing to the Committees on Appropriations*  
14 *that the Government of Mexico is—*

15           **(1)** *improving the transparency and account-*  
16 *ability of federal police forces and working with state*  
17 *and municipal authorities to improve the trans-*  
18 *parency and accountability of state and municipal*  
19 *police forces through mechanisms including estab-*  
20 *lishing police complaints commissions with authority*  
21 *and independence to receive complaints and carry out*  
22 *effective investigations;*

23           **(2)** *establishing a mechanism for regular con-*  
24 *sultations among relevant Mexican Government au-*  
25 *thorities, Mexican human rights organizations and*

1        *other relevant Mexican civil society organizations, to*  
2        *make recommendations concerning implementation of*  
3        *the Merida Initiative in accordance with Mexican*  
4        *and international law;*

5            *(3) ensuring that civilian prosecutors and judi-*  
6        *cial authorities are investigating and prosecuting, in*  
7        *accordance with Mexican and international law,*  
8        *members of the federal police and military forces who*  
9        *have been credibly alleged to have committed viola-*  
10       *tions of human rights, and the federal police and*  
11       *military forces are fully cooperating with the inves-*  
12       *tigations; and*

13           *(4) enforcing the prohibition, in accordance with*  
14        *Mexican and international law, on the use of testi-*  
15        *mony obtained through torture or other ill-treatment.*

16        *(c) EXCEPTION.—Notwithstanding subsection (b), of*  
17        *the funds appropriated by subchapter A for assistance for*  
18        *Mexico under the heading “International Narcotics Control*  
19        *and Law Enforcement”, \$3,000,000 shall be made available*  
20        *for technical and other assistance to enable the Government*  
21        *of Mexico to implement a unified national registry of fed-*  
22        *eral, state, and municipal police officers.*

23           *(d) REPORT.—The report required in subsection (b)*  
24        *shall include a description of actions taken with respect to*  
25        *each requirement and the cases or issues brought to the at-*

1 *tention of the Secretary of State for which the response or*  
2 *action taken has been inadequate.*

3 *(e) NOTIFICATION.—Funds made available for Mexico*  
4 *by this chapter shall be subject to the regular notification*  
5 *procedures of the Committees on Appropriations and sec-*  
6 *tion 634A of the Foreign Assistance Act of 1961 (22 U.S.C.*  
7 *2394–1).*

8 *(f) SPENDING PLAN.—Not later than 45 days after the*  
9 *date of the enactment of this Act, the Secretary of State*  
10 *shall submit to the Committees on Appropriations a de-*  
11 *tailed spending plan for funds appropriated or otherwise*  
12 *made available for Mexico by this chapter, which shall in-*  
13 *clude a strategy, developed after consulting with relevant*  
14 *Mexican Government authorities, for combating drug traf-*  
15 *ficking and related violence and organized crime, judicial*  
16 *reform, institution building, anti-corruption, and rule of*  
17 *law activities, with concrete goals, actions to be taken, budg-*  
18 *et proposals, and anticipated results.*

19 *CENTRAL AMERICA*

20 *SEC. 1407. (a) ASSISTANCE FOR THE COUNTRIES OF*  
21 *CENTRAL AMERICA.—Of the funds appropriated in sub-*  
22 *chapter A under the headings “International Narcotics*  
23 *Control and Law Enforcement”, “Foreign Military Financ-*  
24 *ing Program”, “Nonproliferation, Anti-Terrorism,*  
25 *Demining and Related Programs”, and “Economic Sup-*  
26 *port Fund”, \$65,000,000 may be made available for assist-*

1 *ance for the countries of Central America, Haiti, and the*  
2 *Dominican Republic only to combat drug trafficking and*  
3 *related violence and organized crime, and for judicial re-*  
4 *form, institution building, anti-corruption, rule of law ac-*  
5 *tivities, and maritime security: Provided, That of the funds*  
6 *appropriated under the heading “Economic Support*  
7 *Fund”, \$25,000,000 shall be made available for an Eco-*  
8 *nomie and Social Development Fund for Central America,*  
9 *of which \$20,000,000 shall be made available through the*  
10 *United States Agency for International Development and*  
11 *\$5,000,000 shall be made available through the Department*  
12 *of State for educational exchange programs: Provided fur-*  
13 *ther, That of the funds appropriated in subchapter A under*  
14 *the heading “International Narcotics Control and Law En-*  
15 *forcement”, \$2,500,000 shall be made available for assist-*  
16 *ance for Haiti, \$2,500,000 shall be made available for as-*  
17 *sistance for the Dominican Republic, and \$1,000,000 shall*  
18 *be made available for a United States contribution to the*  
19 *International Commission Against Impunity in Guate-*  
20 *mala: Provided further, That none of the funds shall be*  
21 *made available for budget support or as cash payments:*  
22 *Provided further, That not more than 45 days after enact-*  
23 *ment of this Act, the Secretary of State shall report in writ-*  
24 *ing to the Committees on Appropriations on the procedures*

1 *in place to implement section 620J of the Foreign Assist-*  
2 *ance Act of 1961.*

3       (b) *ALLOCATION OF FUNDS.—Fifteen percent of the*  
4 *funds made available by this chapter for assistance for the*  
5 *countries of Central America, Haiti and the Dominican Re-*  
6 *public under the headings “International Narcotics Control*  
7 *and Law Enforcement” and “Foreign Military Financing*  
8 *Program” may not be obligated until the Secretary of State*  
9 *reports in writing to the Committees on Appropriations*  
10 *that the government of such country is—*

11           (1) *establishing police complaints commissions*  
12 *with authority and independence to receive com-*  
13 *plaints and carry out effective investigations;*

14           (2) *implementing reforms to improve the capac-*  
15 *ity and ensure the independence of the judiciary; and*

16           (3) *investigating and prosecuting members of the*  
17 *federal police and military forces who have been*  
18 *credibly alleged to have committed violations of*  
19 *human rights.*

20       (c) *REPORT.—The report required in subsection (b)*  
21 *shall include actions taken with respect to each requirement*  
22 *and the cases or issues brought to the attention of the Sec-*  
23 *retary of State for which the response or action taken has*  
24 *been inadequate.*

1           (d) *NOTIFICATION.*—*Funds made available for assist-*  
2 *ance for the countries of Central America, Haiti and the*  
3 *Dominican Republic in subchapter A shall be subject to the*  
4 *regular notification procedures of the Committees on Appro-*  
5 *priations and section 634A of the Foreign Assistance Act*  
6 *of 1961 (22 U.S.C. 2394–1).*

7           (e) *SPENDING PLAN.*—*Not later than 45 days after en-*  
8 *actment of this Act, the Secretary of State shall submit to*  
9 *the Committees on Appropriations a detailed spending plan*  
10 *for funds appropriated or otherwise made available for the*  
11 *countries of Central America, Haiti and the Dominican Re-*  
12 *public in subchapter A, which shall include a strategy for*  
13 *combating drug trafficking and related violence and orga-*  
14 *nized crime, judicial reform, institution building, anti-cor-*  
15 *ruption, and rule of law activities, with concrete goals, ac-*  
16 *tions to be taken, budget proposals and anticipated results.*

17           (f) *DEFINITION.*—*For the purposes of this section, the*  
18 *term “countries of Central America” means Belize, Costa*  
19 *Rica, El Salvador, Guatemala, Honduras, Nicaragua, and*  
20 *Panama.*

21                                   *BUYING POWER MAINTENANCE ACCOUNT*

22                                   *(INCLUDING TRANSFERS OF FUNDS)*

23           *SEC. 1408. (a) Of the funds appropriated under the*  
24 *heading “Diplomatic and Consular Programs” and allo-*  
25 *cated by section 3810 of the U.S. Troop Readiness, Vet-*

1 *erans' Care, Katrina Recovery, and Iraq Accountability*  
2 *Appropriations Act, 2007 (Public Law 110–28),*  
3 *\$26,000,000 shall be transferred to and merged with funds*  
4 *in the “Buying Power Maintenance Account”: Provided,*  
5 *That of the funds made available by this chapter up to an*  
6 *additional \$74,000,000 may be transferred to and merged*  
7 *with the “Buying Power Maintenance Account”, subject to*  
8 *the regular notification procedures of the Committees on*  
9 *Appropriations and in accordance with the procedures in*  
10 *section 34 of the State Department Basic Authorities Act*  
11 *of 1956 (22 U.S.C. 2706). Any funds transferred pursuant*  
12 *to this section shall be available, without fiscal year limita-*  
13 *tion, pursuant to section 24 of the State Department Basic*  
14 *Authorities Act of 1956 (22 U.S.C. 2696).*

15 *(b) Section 24(b)(7) of the State Department Basic Au-*  
16 *thorities Act of 1956 (22 U.S.C. 2696(b)(7)) is amended by*  
17 *amending subparagraph (D) to read as follows:*

18 *“(D) The authorities contained in this*  
19 *paragraph may be exercised only with respect to*  
20 *funds appropriated or otherwise made available*  
21 *after fiscal year 2008.”.*

22 *(c) The Broadcasting Board of Governors may transfer*  
23 *funds into its Buying Power Maintenance Account, not-*  
24 *withstanding the requirement that such funds be provided*  
25 *in advance in appropriations Acts. The authority in this*

1 subsection may be exercised only with respect to funds ap-  
2 propriated or otherwise made available after fiscal year  
3 2008.

4 *SERBIA*

5 *SEC. 1409. Of the funds made available under the*  
6 *heading “Assistance for Eastern Europe and the Baltic*  
7 *States” by title III of the Department of State, Foreign Op-*  
8 *erations, and Related Programs Appropriations Act, 2008*  
9 *(division J of Public Law 110–161), an amount equivalent*  
10 *to the unpaid costs of damage to the United States Embassy*  
11 *in Belgrade, Serbia, as estimated by the Secretary of State,*  
12 *resulting from the February 21, 2008 attack on such Em-*  
13 *bassy, shall be withheld from obligation for assistance for*  
14 *the central government of Serbia if the Secretary of State*  
15 *reports to the Committees on Appropriations that the Gov-*  
16 *ernment of Serbia has failed to provide full compensation*  
17 *to the Department of State for damages to the United States*  
18 *Embassy resulting from the February 21, 2008 attack on*  
19 *such embassy. Section 8002 of this Act shall not apply to*  
20 *this section.*

21 *RESCISSIONS*

22 *SEC. 1410. (a) WORLD FOOD PROGRAM.—*

23 *(1) For an additional amount for a contribution*  
24 *to the World Food Program to assist farmers in coun-*  
25 *tries affected by food shortages to increase crop yields,*

1 *notwithstanding any other provision of law,*  
2 *\$20,000,000, to remain available until expended.*

3 *(2) Of the funds appropriated under the heading*  
4 *“Andean Counterdrug Initiative” in prior Acts mak-*  
5 *ing appropriations for foreign operations, export fi-*  
6 *naning, and related programs, \$20,000,000 are re-*  
7 *scinded.*

8 *(b) SUDAN.—*

9 *(1) For an additional amount for “International*  
10 *Narcotics Control and Law Enforcement”,*  
11 *\$10,000,000, for assistance for Sudan to support*  
12 *formed police units, to remain available until Sep-*  
13 *tember 30, 2009, and subject to prior consultation*  
14 *with the Committees on Appropriations.*

15 *(2) Of the funds appropriated under the heading*  
16 *“International Narcotics Control and Law Enforce-*  
17 *ment” in prior Acts making appropriations for for-*  
18 *ign operations, export financing, and related pro-*  
19 *grams, \$10,000,000 are rescinded.*

20 *(c) RESCISSION.—Of the unobligated balances of funds*  
21 *appropriated for “Iraq Relief and Reconstruction Fund”*  
22 *in prior Acts making appropriations for foreign operations,*  
23 *export financing, and related programs, \$50,000,000 are re-*  
24 *scinded.*



## TIBET

1  
2       *SEC. 1412. (a) Of the funds appropriated by this Act*  
3 *or prior Acts making appropriations for the Department*  
4 *of State, foreign operations and related programs under the*  
5 *headings “Diplomatic and Consular Programs” and “Em-*  
6 *bassy Security, Construction, and Maintenance”, up to*  
7 *\$5,000,000 shall be made available to establish a United*  
8 *States Consulate in Lhasa, Tibet.*

9       *(b) The Department of State should not consent to*  
10 *opening a consular post in the United States by the People’s*  
11 *Republic of China until such time as the People’s Republic*  
12 *of China consents to opening a United States consular post*  
13 *in Lhasa, Tibet.*

## JORDAN

*(INCLUDING RESCISSION OF FUNDS)*

14  
15  
16       *SEC. 1413. (a) For an additional amount for “Eco-*  
17 *nomie Support Fund” for assistance for Jordan,*  
18 *\$25,000,000, to remain available until September 30, 2009.*

19       *(b) For an additional amount for “Foreign Military*  
20 *Financing Program” for assistance for Jordan,*  
21 *\$33,000,000, to remain available until September 30, 2009.*

22       *(c) Of the unobligated balances of funds appropriated*  
23 *under the heading “Millennium Challenge Corporation” in*  
24 *prior Acts making appropriations for foreign operations,*

1 *export financing, and related programs, \$58,000,000 are re-*  
2 *scinded.*

3 *(d) Section 8002 of this Act shall not apply to this*  
4 *section.*

5 *ALLOCATIONS*

6 *SEC. 1414. (a) Funds provided by this chapter for the*  
7 *following accounts shall be made available for programs*  
8 *and countries in the amounts contained in the respective*  
9 *tables included in the explanatory statement printed in the*  
10 *Congressional Record accompanying this Act:*

11 *“Diplomatic and Consular Programs”*

12 *“Economic Support Fund”.*

13 *(b) Any proposed increases or decreases to the amounts*  
14 *contained in such tables in the explanatory statement print-*  
15 *ed in the Congressional Record accompanying this Act shall*  
16 *be subject to the regular notification procedures of the Com-*  
17 *mittees on Appropriations and section 634A of the Foreign*  
18 *Assistance Act of 1961.*

19 *REPROGRAMMING AUTHORITY*

20 *SEC. 1415. Notwithstanding any other provision of*  
21 *law, to include minimum funding requirements or funding*  
22 *directives, funds made available under the headings “Devel-*  
23 *opment Assistance” and “Economic Support Fund” in*  
24 *prior Acts making appropriations for foreign operations,*  
25 *export financing, and related programs may be made avail-*  
26 *able to address critical food shortages, subject to prior con-*

1 *sultation with, and the regular notification procedures of,*  
2 *the Committees on Appropriations.*

3 *SPENDING PLANS AND NOTIFICATION PROCEDURES*

4 *SEC. 1416. (a) SUBCHAPTER A SPENDING PLAN.—Not*  
5 *later than 45 days after the enactment of this Act, the Sec-*  
6 *retary of State shall submit to the Committees on Appro-*  
7 *priations a report detailing planned expenditures for funds*  
8 *appropriated under the headings in subchapter A, except*  
9 *for funds appropriated under the headings “International*  
10 *Disaster Assistance”, “Migration and Refugee Assistance”,*  
11 *and “United States Emergency Refugee and Migration As-*  
12 *sistance Fund”.*

13 *(b) SUBCHAPTER B SPENDING PLAN.—The Secretary*  
14 *of State shall submit to the Committees on Appropriations*  
15 *not later than November 1, 2008, and prior to the initial*  
16 *obligation of funds, a detailed spending plan for funds ap-*  
17 *propriated or otherwise made available in subchapter B,*  
18 *except for funds appropriated under the headings “Inter-*  
19 *national Disaster Assistance”, “Migration and Refugee As-*  
20 *sistance”, and “United States Emergency Refugee and Mi-*  
21 *gration Assistance Fund”.*

22 *(c) NOTIFICATION.—Funds made available in this*  
23 *chapter shall be subject to the regular notification proce-*  
24 *dures of the Committees on Appropriations and section*  
25 *634A of the Foreign Assistance Act of 1961.*

## TERMS AND CONDITIONS

1  
2       *SEC. 1417. Unless otherwise provided for in this Act,*  
3 *funds appropriated or otherwise made available by this*  
4 *chapter shall be available under the authorities and condi-*  
5 *tions provided in the Department of State, Foreign Oper-*  
6 *ations, and Related Programs Appropriations Act, 2008*  
7 *(division J of Public Law 110–161), except that section*  
8 *699K of such Act shall not apply to funds in this chapter.*

## TITLE II—DOMESTIC MATTERS

## CHAPTER 1—FOOD AND DRUG ADMINISTRATION

## DEPARTMENT OF HEALTH AND HUMAN

## SERVICES

## FOOD AND DRUG ADMINISTRATION

## SALARIES AND EXPENSES

15       *For an additional amount for “Salaries and Ex-*  
16 *penses”, \$150,000,000, to remain available until September*  
17 *30, 2009: Provided, That of the amount provided: (1)*  
18 *\$66,792,000 shall be for the Center for Food Safety and Ap-*  
19 *plied Nutrition and related field activities in the Office of*  
20 *Regulatory Affairs; (2) \$28,019,000 shall be for the Center*  
21 *for Drug Evaluation and Research and related field activi-*  
22 *ties in the Office of Regulatory Affairs; (3) \$12,736,000*  
23 *shall be for the Center for Biologics Evaluation and Re-*  
24 *search and related field activities in the Office of Regu-*  
25 *latory Affairs; (4) \$6,057,000 shall be for the Center for Vet-*

1 *erinary Medicine and related field activities in the Office*  
2 *of Regulatory Affairs; (5) \$20,094,000 shall be for the Cen-*  
3 *ter for Devices and Radiological Health and related field*  
4 *activities in the Office of Regulatory Affairs; (6) \$3,396,000*  
5 *shall be for the National Center for Toxicological Research;*  
6 *and (7) \$12,906,000 shall be for other activities, including*  
7 *the Office of the Commissioner, the Office of Scientific and*  
8 *Medical Programs; the Office of Policy, Planning and Pre-*  
9 *paredness; the Office of International and Special Pro-*  
10 *grams; the Office of Operations; and central services for*  
11 *these offices.*

12 *CHAPTER 2—COMMERCE, JUSTICE, AND SCIENCE*

13 *DEPARTMENT OF COMMERCE*

14 *BUREAU OF THE CENSUS*

15 *PERIODIC CENSUSES AND PROGRAMS*

16 *(INCLUDING TRANSFER OF FUNDS)*

17 *For an additional amount for “Periodic Censuses and*  
18 *Programs”, \$210,000,000, to remain available until ex-*  
19 *pendent, for necessary expenses related to the 2010 Decennial*  
20 *Census: Provided, That not less than \$3,000,000 shall be*  
21 *transferred to the “Office of Inspector General” at the De-*  
22 *partment of Commerce for necessary expenses associated*  
23 *with oversight activities of the 2010 Decennial Census: Pro-*  
24 *vided further, That not less than \$1,000,000 shall be used*  
25 *only for a reimbursable agreement with the Defense Con-*

1 *tract Management Agency to provide continuing contract*  
2 *management oversight of the 2010 Decennial Census.*

3 *DEPARTMENT OF JUSTICE*

4 *FEDERAL PRISON SYSTEM*

5 *SALARIES AND EXPENSES*

6 *For an additional amount for “Salaries and Ex-*  
7 *penses”, \$178,000,000, to remain available until September*  
8 *30, 2008.*

9 *OTHER AGENCIES*

10 *NATIONAL AERONAUTICS AND SPACE ADMINISTRATION*

11 *SCIENCE, AERONAUTICS AND EXPLORATION*

12 *For an additional amount for “Science, Aeronautics*  
13 *and Exploration”, \$62,500,000.*

14 *NATIONAL SCIENCE FOUNDATION*

15 *RESEARCH AND RELATED ACTIVITIES*

16 *For an additional amount for “Research and Related*  
17 *Activities”, \$22,500,000, of which \$5,000,000 shall be avail-*  
18 *able solely for activities authorized by section*  
19 *7002(b)(2)(A)(iv) of Public Law 110–69.*

20 *EDUCATION AND HUMAN RESOURCES*

21 *For an additional amount for “Education and*  
22 *Human Resources”, \$40,000,000: Provided, That of the*  
23 *amount provided, \$20,000,000 shall be available for activi-*  
24 *ties authorized by section 10 of the National Science Foun-*  
25 *dation Authorization Act of 2002 (42 U.S.C. 1862n–1) and*

1 \$20,000,000 shall be available for activities authorized by  
2 section 10A of the National Science Foundation Authoriza-  
3 tion Act of 2002 (42 U.S.C. 1862n-1a).

4 *CHAPTER 3—ENERGY*

5 *DEPARTMENT OF ENERGY*

6 *ENERGY PROGRAMS*

7 *SCIENCE*

8 *For an additional amount for “Science”, \$62,500,000,*  
9 *to remain available until expended.*

10 *ENVIRONMENTAL AND OTHER DEFENSE*

11 *ACTIVITIES*

12 *DEFENSE ENVIRONMENTAL CLEANUP*

13 *For an additional amount for “Defense Environ-*  
14 *mental Cleanup”, \$62,500,000, to remain available until*  
15 *expended.*

16 *CHAPTER 4—LABOR AND HEALTH AND HUMAN*

17 *SERVICES*

18 *DEPARTMENT OF LABOR*

19 *EMPLOYMENT AND TRAINING ADMINISTRATION*

20 *STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT*

21 *SERVICE OPERATIONS*

22 *For an additional amount for “State Unemployment*  
23 *Insurance and Employment Service Operations” for grants*  
24 *to the States for the administration of State unemployment*  
25 *insurance, \$110,000,000, which may be expended from the*

1 *Employment Security Administration Account in the Un-*  
2 *employment Trust Fund, to be used for unemployment in-*  
3 *surance workloads experienced by the States through Sep-*  
4 *tember 30, 2008, which shall be available for Federal obliga-*  
5 *tion through December 31, 2008.*

6           *DEPARTMENT OF HEALTH AND HUMAN*  
7                           *SERVICES*

8                           *NATIONAL INSTITUTES OF HEALTH*

9                           *OFFICE OF THE DIRECTOR*

10                          *(INCLUDING TRANSFER OF FUNDS)*

11           *For an additional amount for “Office of the Director”,*  
12 *\$150,000,000, which shall be transferred to the Institutes*  
13 *and Centers of the National Institutes of Health and to the*  
14 *Common Fund established under section 402A(c)(1) of the*  
15 *Public Health Service Act in proportion to the appropria-*  
16 *tions otherwise made to such Institutes, Centers, and Com-*  
17 *mon Fund for fiscal year 2008: Provided, That these funds*  
18 *shall be used to support additional scientific research and*  
19 *shall be merged with and be available for the same purposes*  
20 *and for the same time period as the appropriation or fund*  
21 *to which transferred: Provided further, That this transfer*  
22 *authority is in addition to any other transfer authority*  
23 *available to the National Institutes of Health: Provided fur-*  
24 *ther, That none of these funds may be transferred to “Na-*  
25 *tional Institutes of Health—Buildings and Facilities”, the*

1 *Center for Scientific Review, the Center for Information*  
2 *Technology, the Clinical Center, the Global Fund for HIV/*  
3 *AIDS, Tuberculosis and Malaria, or the Office of the Direc-*  
4 *tor (except for the transfer to the Common Fund).*

5 *CHAPTER 5—LEGISLATIVE BRANCH*

6 *HOUSE OF REPRESENTATIVES*

7 *PAYMENT TO WIDOWS AND HEIRS OF DECEASED*

8 *MEMBERS OF CONGRESS*

9 *For payment to Annette Lantos, widow of Tom Lan-*  
10 *tos, late a Representative from the State of California,*  
11 *\$169,300: Provided, That section 8002 shall not apply to*  
12 *this appropriation.*

13 *TITLE III—NATURAL DISASTER RELIEF AND*

14 *RECOVERY*

15 *CHAPTER 1—AGRICULTURE*

16 *DEPARTMENT OF AGRICULTURE*

17 *FARM SERVICE AGENCY*

18 *EMERGENCY CONSERVATION PROGRAM*

19 *For an additional amount for the “Emergency Con-*  
20 *servaion Program”, \$89,413,000, to remain available until*  
21 *expended.*

1        *NATURAL RESOURCES CONSERVATION SERVICE*  
2        *EMERGENCY WATERSHED PROTECTION PROGRAM*

3        *For an additional amount for the “Emergency Water-*  
4 *shed Protection Program”, \$390,464,000, to remain avail-*  
5 *able until expended.*

6                                *CHAPTER 2—COMMERCE*

7                                *DEPARTMENT OF COMMERCE*

8                                *ECONOMIC DEVELOPMENT ADMINISTRATION*

9                                *ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS*

10        *Pursuant to section 703 of the Public Works and Eco-*  
11 *nomics Development Act (42 U.S.C. 3233), for an additional*  
12 *amount for “Economic Development Assistance Programs”,*  
13 *for necessary expenses related to disaster relief, long-term*  
14 *recovery, and restoration of infrastructure in areas covered*  
15 *by a declaration of major disaster under title IV of the Rob-*  
16 *ert T. Stafford Disaster Relief and Emergency Assistance*  
17 *Act (42 U.S.C. 5121 et seq.) as a result of recent natural*  
18 *disasters, \$100,000,000, to remain available until expended.*

19                                *CHAPTER 3—CORPS OF ENGINEERS*

20                                *DEPARTMENT OF DEFENSE—CIVIL*

21                                *DEPARTMENT OF THE ARMY*

22                                *CORPS OF ENGINEERS—CIVIL*

23                                *CONSTRUCTION*

24        *For an additional amount for “Construction”, for nec-*  
25 *essary expenses to address emergency situations at Corps*

1 of Engineers projects and rehabilitate and repair damages  
2 to Corps projects caused by recent natural disasters,  
3 \$61,700,000, to remain available until expended.

4 For an additional amount for “Construction”, for nec-  
5 essary expenses related to the consequences of Hurricane  
6 Katrina and other hurricanes of the 2005 season,  
7 \$2,835,000,000, to become available on October 1, 2008, and  
8 to remain available until expended: Provided, That the Sec-  
9 retary of the Army is directed to use \$1,997,000,000 of the  
10 funds provided herein to modify authorized projects in  
11 southeast Louisiana to provide hurricane, storm and flood  
12 damage reduction in the greater New Orleans and sur-  
13 rounding areas to the levels of protection necessary to  
14 achieve the certification required for participation in the  
15 National Flood Insurance Program under the base flood ele-  
16 vations current at the time of enactment of this Act, and  
17 shall use \$1,077,000,000 of those funds for the Lake Pont-  
18 chartrain and Vicinity project and \$920,000,000 of those  
19 funds for the West Bank and Vicinity project: Provided fur-  
20 ther, That, in addition, \$838,000,000 of the funds provided  
21 herein shall be for elements of Southeast Louisiana Urban  
22 Drainage project within the geographic perimeter of the  
23 West Bank and Vicinity and Lake Pontchartrain and Vi-  
24 cinity projects, to provide for interior drainage of runoff  
25 from rainfall with a ten percent annual exceedance prob-

1 *ability: Provided further, That the amounts provided herein*  
2 *shall be subject to a 65 percent Federal / 35 percent non-*  
3 *Federal cost share for the specified purposes: Provided fur-*  
4 *ther, That beginning not later than 60 days after the date*  
5 *of enactment of this Act, the Chief of Engineers, acting*  
6 *through the Assistant Secretary of the Army for Civil*  
7 *Works, shall provide monthly reports to the Committees on*  
8 *Appropriations of the House of Representatives and the*  
9 *Senate detailing the allocation and obligation of these*  
10 *funds: Provided further, That the expenditure of funds as*  
11 *provided above may be made without regard to individual*  
12 *amounts or purposes except that any reallocation of funds*  
13 *that is necessary to accomplish the established goals is au-*  
14 *thorized subject to the approval of the House and Senate*  
15 *Committees on Appropriations.*

16 *MISSISSIPPI RIVER AND TRIBUTARIES*

17 *For an additional amount for “Mississippi River and*  
18 *Tributaries” for recovery from natural disasters,*  
19 *\$17,590,000, to remain available until expended, to repair*  
20 *damages to Federal projects caused by recent natural disas-*  
21 *ters.*

22 *OPERATION AND MAINTENANCE*

23 *For an additional amount for “Operation and Mainte-*  
24 *nance” to dredge navigation channels and repair other*  
25 *Corps projects related to natural disasters, \$298,344,000,*

1 *to remain available until expended: Provided, That the*  
2 *Chief of Engineers, acting through the Assistant Secretary*  
3 *of the Army for Civil Works, shall provide a monthly report*  
4 *to the House and Senate Committees on Appropriations de-*  
5 *tailing the allocation and obligation of these funds, begin-*  
6 *ning not later than 60 days after enactment of this Act.*

7 *FLOOD CONTROL AND COASTAL EMERGENCIES*

8 *For an additional amount for “Flood Control and*  
9 *Coastal Emergencies”, as authorized by section 5 of the Act*  
10 *of August 18, 1941 (33 U.S.C. 701n), for necessary expenses*  
11 *to prepare for flood, hurricane and other natural disasters*  
12 *and support emergency operations, repair and other activi-*  
13 *ties in response to flood and hurricane emergencies as au-*  
14 *thorized by law, \$226,854,800, to remain available until*  
15 *expended.*

16 *For an additional amount for “Flood Control and*  
17 *Coastal Emergencies”, as authorized by section 5 of the Act*  
18 *of August 18, 1941 (33 U.S.C. 701n), for necessary expenses*  
19 *relating to the consequences of Hurricane Katrina and other*  
20 *hurricanes of the 2005 season, \$2,926,000,000, to become*  
21 *available on October 1, 2008, and to remain available until*  
22 *expended: Provided, That funds provided herein shall be*  
23 *used to reduce the risk of hurricane and storm damages to*  
24 *the greater New Orleans metropolitan area, at full Federal*  
25 *expense, for the following: \$704,000,000 shall be used to*

1 *modify the 17th Street, Orleans Avenue, and London Ave-*  
2 *nue drainage canals and install pumps and closure struc-*  
3 *tures at or near the lakefront; \$90,000,000 shall be used for*  
4 *storm-proofing interior pump stations to ensure the oper-*  
5 *ability of the stations during hurricanes, storms, and high*  
6 *water events; \$459,000,000 shall be used for armoring crit-*  
7 *ical elements of the New Orleans hurricane and storm dam-*  
8 *age reduction system; \$53,000,000 shall be used to improve*  
9 *protection at the Inner Harbor Navigation Canal;*  
10 *\$456,000,000 shall be used to replace or modify certain non-*  
11 *Federal levees in Plaquemines Parish to incorporate the lev-*  
12 *ees into the existing New Orleans to Venice hurricane pro-*  
13 *tection project; \$412,000,000 shall be used for reinforcing*  
14 *or replacing flood walls, as necessary, in the existing Lake*  
15 *Pontchartrain and Vicinity project and the existing West*  
16 *Bank and Vicinity project to improve the performance of*  
17 *the systems; \$393,000,000 shall be used for repair and res-*  
18 *toration of authorized protections and floodwalls; and*  
19 *\$359,000,000 shall be to complete the authorized protection*  
20 *for the Lake Ponchartrain and Vicinity, West Bank and*  
21 *Vicinity, and the New Orleans to Venice projects: Provided*  
22 *further, That the Secretary of the Army, within available*  
23 *funds, is directed to continue the NEPA alternative evalua-*  
24 *tion of all options with particular attention to Options 1,*  
25 *2 and 2a of the report to Congress, dated August 30, 2007,*

1 *provided in response to the requirements of chapter 3, sec-*  
2 *tion 4303 of Public Law 110–28, and within 90 days of*  
3 *enactment of this Act provide the House and Senate Com-*  
4 *mittees on Appropriations cost estimates to implement Op-*  
5 *tions 1, 2 and 2a of the above cited report: Provided further,*  
6 *That beginning not later than 60 days after the date of en-*  
7 *actment of this Act, the Chief of Engineers, acting through*  
8 *the Assistant Secretary of the Army for Civil Works, shall*  
9 *provide monthly reports to the Committees on Appropria-*  
10 *tions of the House of Representatives and the Senate detail-*  
11 *ing the allocation and obligation of these funds: Provided*  
12 *further, That any project using funds appropriated under*  
13 *this heading shall be initiated only after non-Federal inter-*  
14 *ests have entered into binding agreements with the Assistant*  
15 *Secretary of the Army for Civil Works requiring the non-*  
16 *Federal interests to pay 100 percent of the operation, main-*  
17 *tenance, repair, replacement, and rehabilitation costs of*  
18 *completed elements and to hold and save the United States*  
19 *free from damages due to the construction, operation, and*  
20 *maintenance of the project, except for damages due to the*  
21 *fault or negligence of the United States or its contractors:*  
22 *Provided further, That the expenditure of funds as provided*  
23 *above may be made without regard to individual amounts*  
24 *or purposes except that any reallocation of funds that is*  
25 *necessary to accomplish the established goals is authorized*

1 *subject to the approval of the House and Senate Committees*  
 2 *on Appropriations.*

3 *EXPENSES*

4 *For an additional amount for “Expenses” for in-*  
 5 *creased efforts by the Mississippi Valley Division to oversee*  
 6 *emergency response and recovery activities related to the*  
 7 *consequences of hurricanes in the Gulf of Mexico in 2005,*  
 8 *\$1,500,000 to remain available until expended.*

9 *CHAPTER 4—SMALL BUSINESS*

10 *SMALL BUSINESS ADMINISTRATION*

11 *DISASTER LOANS PROGRAM ACCOUNT*

12 *(INCLUDING TRANSFER OF FUNDS)*

13 *For the cost of direct loans authorized by section 7(b)*  
 14 *of the Small Business Act, for necessary expenses related*  
 15 *to flooding in Midwestern States and other natural disas-*  
 16 *ters, \$164,939,000, to remain available until expended: Pro-*  
 17 *vided, That such costs, including the cost of modifying such*  
 18 *loans, shall be as defined in section 502 of the Congressional*  
 19 *Budget Act of 1974.*

20 *In addition, for expenses to carry out the direct loan*  
 21 *program in response to flooding in Midwestern States and*  
 22 *other natural disasters, including onsite assistance to dis-*  
 23 *aster victims, increased staff at call centers, processing cen-*  
 24 *ters, and field inspections teams, and attorneys to assist*  
 25 *in loan closings, \$101,814,000, to remain available until*

1 *expended, of which \$1,000,000 is for the Office of Inspector*  
 2 *General of the Small Business Administration for audits*  
 3 *and reviews of disaster loans and the disaster loan program*  
 4 *and shall be paid to appropriations for the Office of Inspec-*  
 5 *tor General; of which \$94,814,000 is for direct administra-*  
 6 *tive expenses of loan making and servicing to carry out the*  
 7 *direct loan program, which may be paid to appropriations*  
 8 *for Salaries and Expenses; and of which \$6,000,000 is for*  
 9 *indirect administrative expenses, which may be paid to ap-*  
 10 *propriations for Salaries and Expenses.*

11           *CHAPTER 5—FEMA DISASTER RELIEF*  
 12           *DEPARTMENT OF HOMELAND SECURITY*  
 13           *FEDERAL EMERGENCY MANAGEMENT AGENCY*  
 14                           *DISASTER RELIEF*

15           *For an additional amount for “Disaster Relief”,*  
 16 *\$897,000,000, to remain available until expended.*

17           *CHAPTER 6—HOUSING AND URBAN*  
 18                           *DEVELOPMENT*  
 19           *DEPARTMENT OF HOUSING AND URBAN*  
 20                           *DEVELOPMENT*

21                           *PERMANENT SUPPORTIVE HOUSING*  
 22           *For the provision of 3,000 units of permanent sup-*  
 23 *portive housing as referenced in the Road Home Program*  
 24 *of the Louisiana Recovery Authority approved by the Sec-*  
 25 *retary of Housing and Urban Development, \$73,000,000,*

1 *to remain available until expended, of which \$20,000,000*  
2 *shall be for project-based vouchers under section 8(o)(13)*  
3 *of the United States Housing Act of 1937 (42 U.S.C.*  
4 *1437f(o)(13)), including administrative expenses not to ex-*  
5 *ceed \$3,000,000, and \$50,000,000 shall be for grants under*  
6 *the Shelter Plus Care program as authorized under subtitle*  
7 *F of title IV of the McKinney-Vento Homeless Assistance*  
8 *Act (42 U.S.C. 11403 et seq.): Provided, That the Secretary*  
9 *of Housing and Urban Development shall, upon request,*  
10 *make funds available under this paragraph to the State of*  
11 *Louisiana or its designee or designees, upon request: Pro-*  
12 *vided further, That notwithstanding any other provision of*  
13 *law, for the purpose of administering the amounts provided*  
14 *under this paragraph, the State of Louisiana or its designee*  
15 *or designees may act in all respects as a public housing*  
16 *agency as defined in section 3(b)(6) of the United States*  
17 *Housing Act of 1937 (42 U.S.C. 1437a(b)(6)): Provided fur-*  
18 *ther, That subparagraphs (B) and (D) of section 8(o)(13)*  
19 *of the United States Housing Act of 1937 (42 U.S.C.*  
20 *1437f(o)(13)) shall not apply with respect to vouchers made*  
21 *available under this paragraph.*

22 *COMMUNITY PLANNING AND DEVELOPMENT*

23 *COMMUNITY DEVELOPMENT FUND*

24 *For an additional amount for “Community Develop-*  
25 *ment Fund”, for necessary expenses related to disaster re-*

1 *lief, long-term recovery, and restoration of infrastructure in*  
2 *areas covered by a declaration of major disaster under title*  
3 *IV of the Robert T. Stafford Disaster Relief and Emergency*  
4 *Assistance Act (42 U.S.C. 5121 et seq.) as a result of recent*  
5 *natural disasters, \$300,000,000, to remain available until*  
6 *expended, for activities authorized under title I of the Hous-*  
7 *ing and Community Development Act of 1974 (Public Law*  
8 *93–383): Provided, That funds provided under this heading*  
9 *shall be administered through an entity or entities des-*  
10 *ignated by the Governor of each State: Provided further,*  
11 *That such funds may not be used for activities reimbursable*  
12 *by or for which funds are made available by the Federal*  
13 *Emergency Management Agency or the Army Corps of En-*  
14 *gineers: Provided further, That funds allocated under this*  
15 *heading shall not adversely affect the amount of any for-*  
16 *mula assistance received by a State under this heading:*  
17 *Provided further, That each State may use up to five per-*  
18 *cent of its allocation for administrative costs: Provided fur-*  
19 *ther, That in administering the funds under this heading,*  
20 *the Secretary of Housing and Urban Development shall*  
21 *waive, or specify alternative requirements for, any provi-*  
22 *sion of any statute or regulation that the Secretary admin-*  
23 *isters in connection with the obligation by the Secretary*  
24 *or the use by the recipient of these funds or guarantees (ex-*  
25 *cept for requirements related to fair housing, non-*

1 *discrimination, labor standards, and the environment),*  
2 *upon a request by the State that such waiver is required*  
3 *to facilitate the use of such funds or guarantees, and a find-*  
4 *ing by the Secretary that such waiver would not be incon-*  
5 *sistent with the overall purpose of the statute, as modified:*  
6 *Provided further, That the Secretary may waive the re-*  
7 *quirement that activities benefit persons of low and mod-*  
8 *erate income, except that at least 50 percent of the funds*  
9 *made available under this heading must benefit primarily*  
10 *persons of low and moderate income unless the Secretary*  
11 *otherwise makes a finding of compelling need: Provided fur-*  
12 *ther, That the Secretary shall publish in the Federal Reg-*  
13 *ister any waiver of any statute or regulation that the Sec-*  
14 *retary administers pursuant to title I of the Housing and*  
15 *Community Development Act of 1974 no later than 5 days*  
16 *before the effective date of such waiver: Provided further,*  
17 *That every waiver made by the Secretary must be reconsid-*  
18 *ered according to the three previous provisos on the two-*  
19 *year anniversary of the day the Secretary published the*  
20 *waiver in the Federal Register: Provided further, That prior*  
21 *to the obligation of funds each State shall submit a plan*  
22 *to the Secretary detailing the proposed use of all funds, in-*  
23 *cluding criteria for eligibility and how the use of these funds*  
24 *will address long-term recovery and restoration of infra-*  
25 *structure: Provided further, That each State will report*

1 *quarterly to the Committees on Appropriations on all*  
2 *awards and uses of funds made available under this head-*  
3 *ing, including specifically identifying all awards of sole-*  
4 *source contracts and the rationale for making the award*  
5 *on a sole-source basis: Provided further, That the Secretary*  
6 *shall notify the Committees on Appropriations on any pro-*  
7 *posed allocation of any funds and any related waivers made*  
8 *pursuant to these provisions under this heading no later*  
9 *than 5 days before such waiver is made: Provided further,*  
10 *That the Secretary shall establish procedures to prevent re-*  
11 *cipients from receiving any duplication of benefits and re-*  
12 *port quarterly to the Committees on Appropriations with*  
13 *regard to all steps taken to prevent fraud and abuse of funds*  
14 *made available under this heading including duplication*  
15 *of benefits.*

16 *TITLE IV—EMERGENCY UNEMPLOYMENT*

17 *COMPENSATION*

18 *FEDERAL-STATE AGREEMENTS*

19 *SEC. 4001. (a) IN GENERAL.—Any State which desires*  
20 *to do so may enter into and participate in an agreement*  
21 *under this title with the Secretary of Labor (in this title*  
22 *referred to as the “Secretary”). Any State which is a party*  
23 *to an agreement under this title may, upon providing 30*  
24 *days’ written notice to the Secretary, terminate such agree-*  
25 *ment.*

1       (b) *PROVISIONS OF AGREEMENT.*—Any agreement  
2 under subsection (a) shall provide that the State agency of  
3 the State will make payments of emergency unemployment  
4 compensation to individuals who—

5           (1) have exhausted all rights to regular com-  
6 pensation under the State law or under Federal law  
7 with respect to a benefit year (excluding any benefit  
8 year that ended before May 1, 2007);

9           (2) have no rights to regular compensation or ex-  
10 tended compensation with respect to a week under  
11 such law or any other State unemployment compensa-  
12 tion law or to compensation under any other Federal  
13 law (except as provided under subsection (e)); and

14           (3) are not receiving compensation with respect  
15 to such week under the unemployment compensation  
16 law of Canada.

17       (c) *EXHAUSTION OF BENEFITS.*—For purposes of sub-  
18 section (b)(1), an individual shall be deemed to have ex-  
19 hausted such individual's rights to regular compensation  
20 under a State law when—

21           (1) no payments of regular compensation can be  
22 made under such law because such individual has re-  
23 ceived all regular compensation available to such in-  
24 dividual based on employment or wages during such  
25 individual's base period; or

1           (2) *such individual's rights to such compensation*  
2           *have been terminated by reason of the expiration of*  
3           *the benefit year with respect to which such rights ex-*  
4           *isted.*

5           (d) *WEEKLY BENEFIT AMOUNT, ETC.—For purposes*  
6           *of any agreement under this title—*

7           (1) *the amount of emergency unemployment*  
8           *compensation which shall be payable to any indi-*  
9           *vidual for any week of total unemployment shall be*  
10           *equal to the amount of the regular compensation (in-*  
11           *cluding dependents' allowances) payable to such indi-*  
12           *vidual during such individual's benefit year under*  
13           *the State law for a week of total unemployment;*

14           (2) *the terms and conditions of the State law*  
15           *which apply to claims for regular compensation and*  
16           *to the payment thereof shall apply to claims for emer-*  
17           *gency unemployment compensation and the payment*  
18           *thereof, except—*

19           (A) *that an individual shall not be eligible*  
20           *for emergency unemployment compensation*  
21           *under this title unless, in the base period with*  
22           *respect to which the individual exhausted all*  
23           *rights to regular compensation under the State*  
24           *law, the individual had 20 weeks of full-time in-*  
25           *sured employment or the equivalent in insured*

1           wages, as determined under the provisions of the  
2           State law implementing section 202(a)(5) of the  
3           Federal-State Extended Unemployment Com-  
4           pensation Act of 1970 (26 U.S.C. 3304 note);  
5           and

6                   (B) where otherwise inconsistent with the  
7           provisions of this title or with the regulations or  
8           operating instructions of the Secretary promul-  
9           gated to carry out this title; and

10           (3) the maximum amount of emergency unem-  
11          ployment compensation payable to any individual for  
12          whom an emergency unemployment compensation ac-  
13          count is established under section 4002 shall not ex-  
14          ceed the amount established in such account for such  
15          individual.

16          (e) *ELECTION BY STATES.*—Notwithstanding any  
17          other provision of Federal law (and if State law permits),  
18          the Governor of a State that is in an extended benefit period  
19          may provide for the payment of emergency unemployment  
20          compensation prior to extended compensation to individ-  
21          uals who otherwise meet the requirements of this section.

22          (f) *UNAUTHORIZED ALIENS INELIGIBLE.*—A State  
23          shall require as a condition of eligibility for emergency un-  
24          employment compensation under this Act that each alien  
25          who receives such compensation must be legally authorized

1 *to work in the United States, as defined for purposes of*  
2 *the Federal Unemployment Tax Act (26 U.S.C. 3301 et*  
3 *seq.). In determining whether an alien meets the require-*  
4 *ments of this subsection, a State must follow the procedures*  
5 *provided in section 1137(d) of the Social Security Act (42*  
6 *U.S.C. 1320b-7(d)).*

7 *EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT*

8 *SEC. 4002. (a) IN GENERAL.—Any agreement under*  
9 *this title shall provide that the State will establish, for each*  
10 *eligible individual who files an application for emergency*  
11 *unemployment compensation, an emergency unemployment*  
12 *compensation account with respect to such individual's ben-*  
13 *efit year.*

14 *(b) AMOUNT IN ACCOUNT.—*

15 *(1) IN GENERAL.—The amount established in an*  
16 *account under subsection (a) shall be equal to the less-*  
17 *er of—*

18 *(A) 50 percent of the total amount of reg-*  
19 *ular compensation (including dependents' allow-*  
20 *ances) payable to the individual during the indi-*  
21 *vidual's benefit year under such law, or*

22 *(B) 13 times the individual's average week-*  
23 *ly benefit amount for the benefit year.*

24 *(2) WEEKLY BENEFIT AMOUNT.—For purposes of*  
25 *this subsection, an individual's weekly benefit amount*  
26 *for any week is the amount of regular compensation*

1       *(including dependents' allowances) under the State*  
2       *law payable to such individual for such week for total*  
3       *unemployment.*

4       *PAYMENTS TO STATES HAVING AGREEMENTS FOR THE*  
5       *PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION*

6       *SEC. 4003. (a) GENERAL RULE.—There shall be paid*  
7       *to each State that has entered into an agreement under this*  
8       *title an amount equal to 100 percent of the emergency un-*  
9       *employment compensation paid to individuals by the State*  
10       *pursuant to such agreement.*

11       *(b) TREATMENT OF REIMBURSABLE COMPENSA-*  
12       *TION.—No payment shall be made to any State under this*  
13       *section in respect of any compensation to the extent the*  
14       *State is entitled to reimbursement in respect of such com-*  
15       *pensation under the provisions of any Federal law other*  
16       *than this title or chapter 85 of title 5, United States Code.*  
17       *A State shall not be entitled to any reimbursement under*  
18       *such chapter 85 in respect of any compensation to the extent*  
19       *the State is entitled to reimbursement under this title in*  
20       *respect of such compensation.*

21       *(c) DETERMINATION OF AMOUNT.—Sums payable to*  
22       *any State by reason of such State having an agreement*  
23       *under this title shall be payable, either in advance or by*  
24       *way of reimbursement (as may be determined by the Sec-*  
25       *retary), in such amounts as the Secretary estimates the*  
26       *State will be entitled to receive under this title for each cal-*

1 *endar month, reduced or increased, as the case may be, by*  
2 *any amount by which the Secretary finds that the Sec-*  
3 *retary's estimates for any prior calendar month were great-*  
4 *er or less than the amounts which should have been paid*  
5 *to the State. Such estimates may be made on the basis of*  
6 *such statistical, sampling, or other method as may be agreed*  
7 *upon by the Secretary and the State agency of the State*  
8 *involved.*

9 *FINANCING PROVISIONS*

10 *SEC. 4004. (a) IN GENERAL.—Funds in the extended*  
11 *unemployment compensation account (as established by sec-*  
12 *tion 905(a) of the Social Security Act (42 U.S.C. 1105(a))*  
13 *of the Unemployment Trust Fund (as established by section*  
14 *904(a) of such Act (42 U.S.C. 1104(a)) shall be used for*  
15 *the making of payments to States having agreements en-*  
16 *tered into under this title.*

17 *(b) CERTIFICATION.—The Secretary shall from time to*  
18 *time certify to the Secretary of the Treasury for payment*  
19 *to each State the sums payable to such State under this*  
20 *title. The Secretary of the Treasury, prior to audit or settle-*  
21 *ment by the Government Accountability Office, shall make*  
22 *payments to the State in accordance with such certification,*  
23 *by transfers from the extended unemployment compensation*  
24 *account (as so established) to the account of such State in*  
25 *the Unemployment Trust Fund (as so established).*

1           (c) *ASSISTANCE TO STATES.*—*There are appropriated*  
2 *out of the employment security administration account (as*  
3 *established by section 901(a) of the Social Security Act (42*  
4 *U.S.C. 1101(a)) of the Unemployment Trust Fund, without*  
5 *fiscal year limitation, such funds as may be necessary for*  
6 *purposes of assisting States (as provided in title III of the*  
7 *Social Security Act (42 U.S.C. 501 et seq.)) in meeting the*  
8 *costs of administration of agreements under this title.*

9           (d) *APPROPRIATIONS FOR CERTAIN PAYMENTS.*—  
10 *There are appropriated from the general fund of the Treas-*  
11 *ury, without fiscal year limitation, to the extended unem-*  
12 *ployment compensation account (as so established) of the*  
13 *Unemployment Trust Fund (as so established) such sums*  
14 *as the Secretary estimates to be necessary to make the pay-*  
15 *ments under this section in respect of—*

16                   (1) *compensation payable under chapter 85 of*  
17 *title 5, United States Code; and*

18                   (2) *compensation payable on the basis of services*  
19 *to which section 3309(a)(1) of the Internal Revenue*  
20 *Code of 1986 applies.*

21 *Amounts appropriated pursuant to the preceding sentence*  
22 *shall not be required to be repaid.*

23                                   *FRAUD AND OVERPAYMENTS*

24           *SEC. 4005. (a) IN GENERAL.*—*If an individual know-*  
25 *ingly has made, or caused to be made by another, a false*  
26 *statement or representation of a material fact, or knowingly*

1 *has failed, or caused another to fail, to disclose a material*  
2 *fact, and as a result of such false statement or representa-*  
3 *tion or of such nondisclosure such individual has received*  
4 *an amount of emergency unemployment compensation*  
5 *under this title to which such individual was not entitled,*  
6 *such individual—*

7           (1) *shall be ineligible for further emergency un-*  
8 *employment compensation under this title in accord-*  
9 *ance with the provisions of the applicable State un-*  
10 *employment compensation law relating to fraud in*  
11 *connection with a claim for unemployment compensa-*  
12 *tion; and*

13           (2) *shall be subject to prosecution under section*  
14 *1001 of title 18, United States Code.*

15       (b) *REPAYMENT.—In the case of individuals who have*  
16 *received amounts of emergency unemployment compensa-*  
17 *tion under this title to which they were not entitled, the*  
18 *State shall require such individuals to repay the amounts*  
19 *of such emergency unemployment compensation to the State*  
20 *agency, except that the State agency may waive such repay-*  
21 *ment if it determines that—*

22           (1) *the payment of such emergency unemploy-*  
23 *ment compensation was without fault on the part of*  
24 *any such individual; and*

1           (2) *such repayment would be contrary to equity*  
2           *and good conscience.*

3           (c) *RECOVERY BY STATE AGENCY.—*

4           (1) *IN GENERAL.—The State agency may recover*  
5           *the amount to be repaid, or any part thereof, by de-*  
6           *ductions from any emergency unemployment com-*  
7           *ensation payable to such individual under this title*  
8           *or from any unemployment compensation payable to*  
9           *such individual under any State or Federal unem-*  
10          *ployment compensation law administered by the*  
11          *State agency or under any other State or Federal law*  
12          *administered by the State agency which provides for*  
13          *the payment of any assistance or allowance with re-*  
14          *spect to any week of unemployment, during the 3-year*  
15          *period after the date such individuals received the*  
16          *payment of the emergency unemployment compensa-*  
17          *tion to which they were not entitled, except that no*  
18          *single deduction may exceed 50 percent of the weekly*  
19          *benefit amount from which such deduction is made.*

20          (2) *OPPORTUNITY FOR HEARING.—No repayment*  
21          *shall be required, and no deduction shall be made,*  
22          *until a determination has been made, notice thereof*  
23          *and an opportunity for a fair hearing has been given*  
24          *to the individual, and the determination has become*  
25          *final.*





1 *readjusting to civilian life after wartime service, and*  
2 *boost the United States economy, and has a positive*  
3 *effect on recruitment for the Armed Forces.*

4 *(4) The current educational assistance program*  
5 *for veterans is outmoded and designed for peacetime*  
6 *service in the Armed Forces.*

7 *(5) The people of the United States greatly value*  
8 *military service and recognize the difficult challenges*  
9 *involved in readjusting to civilian life after wartime*  
10 *service in the Armed Forces.*

11 *(6) It is in the national interest for the United*  
12 *States to provide veterans who serve on active duty*  
13 *in the Armed Forces after September 11, 2001, with*  
14 *enhanced educational assistance benefits that are wor-*  
15 *thy of such service and are commensurate with the*  
16 *educational assistance benefits provided by a grateful*  
17 *Nation to veterans of World War II.*

18 *EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE ARMED*

19 *FORCES WHO SERVE AFTER SEPTEMBER 11, 2001*

20 *SEC. 5003. (a) EDUCATIONAL ASSISTANCE AUTHOR-*  
21 *IZED.—*

22 *(1) IN GENERAL.—Part III of title 38, United*  
23 *States Code, is amended by inserting after chapter 32*  
24 *the following new chapter:*

1    **“CHAPTER 33—POST-9/11 EDUCATIONAL**  
 2                                   **ASSISTANCE**

                                  “SUBCHAPTER I—DEFINITIONS

“Sec.

“3301. *Definitions.*

                                  “SUBCHAPTER II—EDUCATIONAL ASSISTANCE

“3311. *Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement.*

“3312. *Educational assistance: duration.*

“3313. *Educational assistance: amount; payment.*

“3314. *Tutorial assistance.*

“3315. *Licensure and certification tests.*

“3316. *Supplemental educational assistance: members with critical skills or specialty; members serving additional service.*

“3317. *Public-private contributions for additional educational assistance.*

“3318. *Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education.*

“3319. *Authority to transfer unused education benefits to family members.*

                                  “SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

“3321. *Time limitation for use of and eligibility for entitlement.*

“3322. *Bar to duplication of educational assistance benefits.*

“3323. *Administration.*

“3324. *Allocation of administration and costs.*

3                                   **“SUBCHAPTER I—DEFINITIONS**

4    **“§ 3301. Definitions**

5            *“In this chapter:*

6                            *“(1) The term ‘active duty’ has the meanings as*  
 7            *follows (subject to the limitations specified in sections*  
 8            *3002(6) and 3311(b)):*

9                            *“(A) In the case of members of the regular*  
 10                            *components of the Armed Forces, the meaning*  
 11                            *given such term in section 101(21)(A).*

12                            *“(B) In the case of members of the reserve*  
 13                            *components of the Armed Forces, service on ac-*

1           *tive duty under a call or order to active duty*  
2           *under section 688, 12301(a), 12301(d), 12301(g),*  
3           *12302, or 12304 of title 10.*

4           “(2) *The term ‘entry level and skill training’*  
5           *means the following:*

6                     “(A) *In the case of members of the Army,*  
7                     *Basic Combat Training and Advanced Indi-*  
8                     *vidual Training.*

9                     “(B) *In the case of members of the Navy,*  
10                    *Recruit Training (or Boot Camp) and Skill*  
11                    *Training (or so-called ‘A’ School).*

12                    “(C) *In the case of members of the Air*  
13                    *Force, Basic Military Training and Technical*  
14                    *Training.*

15                    “(D) *In the case of members of the Marine*  
16                    *Corps, Recruit Training and Marine Corps*  
17                    *Training (or School of Infantry Training).*

18                    “(E) *In the case of members of the Coast*  
19                    *Guard, Basic Training.*

20                    “(3) *The term ‘program of education’ has the*  
21                    *meaning given such term in section 3002, except to*  
22                    *the extent otherwise provided in section 3313.*

23                    “(4) *The term ‘Secretary of Defense’ means the*  
24                    *Secretary of Defense, except that the term means the*  
25                    *Secretary of Homeland Security with respect to the*

1       *Coast Guard when it is not operating as a service in*  
2       *the Navy.*

3       “SUBCHAPTER II—EDUCATIONAL ASSISTANCE

4       “§3311. ***Educational assistance for service in the***  
5                   ***Armed Forces commencing on or after***  
6                   ***September 11, 2001: entitlement***

7       “(a) *ENTITLEMENT.*—*Subject to subsections (d) and*  
8       *(e), each individual described in subsection (b) is entitled*  
9       *to educational assistance under this chapter.*

10       “(b) *COVERED INDIVIDUALS.*—*An individual described*  
11       *in this subsection is any individual as follows:*

12               “(1) *An individual who—*

13                   “(A) *commencing on or after September 11,*  
14                   *2001, serves an aggregate of at least 36 months*  
15                   *on active duty in the Armed Forces (including*  
16                   *service on active duty in entry level and skill*  
17                   *training); and*

18                   “(B) *after completion of service described in*  
19                   *subparagraph (A)—*

20                               “(i) *continues on active duty; or*

21                               “(ii) *is discharged or released from ac-*  
22                               *tive duty as described in subsection (c).*

23               “(2) *An individual who—*

1           “(A) commencing on or after September 11,  
2           2001, serves at least 30 continuous days on ac-  
3           tive duty in the Armed Forces; and

4           “(B) after completion of service described in  
5           subparagraph (A), is discharged or released from  
6           active duty in the Armed Forces for a service-  
7           connected disability.

8           “(3) An individual who—

9           “(A) commencing on or after September 11,  
10           2001, serves an aggregate of at least 30 months,  
11           but less than 36 months, on active duty in the  
12           Armed Forces (including service on active duty  
13           in entry level and skill training); and

14           “(B) after completion of service described in  
15           subparagraph (A)—

16           “(i) continues on active duty for an  
17           aggregate of less than 36 months; or

18           “(ii) before completion of service on ac-  
19           tive duty of an aggregate of 36 months, is  
20           discharged or released from active duty as  
21           described in subsection (c).

22           “(4) An individual who—

23           “(A) commencing on or after September 11,  
24           2001, serves an aggregate of at least 24 months,  
25           but less than 30 months, on active duty in the

1           *Armed Forces (including service on active duty*  
2           *in entry level and skill training); and*

3                   “(B) after completion of service described in  
4           subparagraph (A)—

5                           “(i) continues on active duty for an  
6                           aggregate of less than 30 months; or

7                           “(ii) before completion of service on ac-  
8                           tive duty of an aggregate of 30 months, is  
9                           discharged or released from active duty as  
10                          described in subsection (c).

11           “(5) An individual who—

12                          “(A) commencing on or after September 11,  
13                          2001, serves an aggregate of at least 18 months,  
14                          but less than 24 months, on active duty in the  
15                          Armed Forces (excluding service on active duty  
16                          in entry level and skill training); and

17                          “(B) after completion of service described in  
18                          subparagraph (A)—

19                                  “(i) continues on active duty for an  
20                                  aggregate of less than 24 months; or

21                                  “(ii) before completion of service on ac-  
22                                  tive duty of an aggregate of 24 months, is  
23                                  discharged or released from active duty as  
24                                  described in subsection (c).

25           “(6) An individual who—

1           “(A) commencing on or after September 11,  
2           2001, serves an aggregate of at least 12 months,  
3           but less than 18 months, on active duty in the  
4           Armed Forces (excluding service on active duty  
5           in entry level and skill training); and

6           “(B) after completion of service described in  
7           subparagraph (A)—

8           “(i) continues on active duty for an  
9           aggregate of less than 18 months; or

10           “(ii) before completion of service on ac-  
11           tive duty of an aggregate of 18 months, is  
12           discharged or released from active duty as  
13           described in subsection (c).

14           “(7) An individual who—

15           “(A) commencing on or after September 11,  
16           2001, serves an aggregate of at least 6 months,  
17           but less than 12 months, on active duty in the  
18           Armed Forces (excluding service on active duty  
19           in entry level and skill training); and

20           “(B) after completion of service described in  
21           subparagraph (A)—

22           “(i) continues on active duty for an  
23           aggregate of less than 12 months; or

24           “(ii) before completion of service on ac-  
25           tive duty of an aggregate of 12 months, is

1                   *discharged or released from active duty as*  
2                   *described in subsection (c).*

3           “(8) *An individual who—*

4                   “(A) *commencing on or after September 11,*  
5                   *2001, serves an aggregate of at least 90 days, but*  
6                   *less than 6 months, on active duty in the Armed*  
7                   *Forces (excluding service on active duty in entry*  
8                   *level and skill training); and*

9                   “(B) *after completion of service described in*  
10                  *subparagraph (A)—*

11                   “(i) *continues on active duty for an*  
12                   *aggregate of less than 6 months; or*

13                   “(ii) *before completion of service on ac-*  
14                   *tive duty of an aggregate of 6 months, is*  
15                   *discharged or released from active duty as*  
16                   *described in subsection (c).*

17           “(c) *COVERED DISCHARGES AND RELEASES.—A dis-*  
18           *charge or release from active duty of an individual de-*  
19           *scribed in this subsection is a discharge or release as follows:*

20                   “(1) *A discharge from active duty in the Armed*  
21                   *Forces with an honorable discharge.*

22                   “(2) *A release after service on active duty in the*  
23                   *Armed Forces characterized by the Secretary con-*  
24                   *cerned as honorable service and placement on the re-*  
25                   *tired list, transfer to the Fleet Reserve or Fleet Ma-*

1 *rine Corps Reserve, or placement on the temporary*  
2 *disability retired list.*

3 “(3) *A release from active duty in the Armed*  
4 *Forces for further service in a reserve component of*  
5 *the Armed Forces after service on active duty charac-*  
6 *terized by the Secretary concerned as honorable serv-*  
7 *ice.*

8 “(4) *A discharge or release from active duty in*  
9 *the Armed Forces for—*

10 “(A) *a medical condition which preexisted*  
11 *the service of the individual as described in the*  
12 *applicable paragraph of subsection (b) and*  
13 *which the Secretary determines is not service-*  
14 *connected;*

15 “(B) *hardship; or*

16 “(C) *a physical or mental condition that*  
17 *was not characterized as a disability and did*  
18 *not result from the individual’s own willful mis-*  
19 *conduct but did interfere with the individual’s*  
20 *performance of duty, as determined by the Sec-*  
21 *retary concerned in accordance with regulations*  
22 *prescribed by the Secretary of Defense.*

23 “(d) *PROHIBITION ON TREATMENT OF CERTAIN SERV-*  
24 *ICE AS PERIOD OF ACTIVE DUTY.—The following periods*  
25 *of service shall not be considered a part of the period of*

1 *active duty on which an individual's entitlement to edu-*  
2 *cational assistance under this chapter is based:*

3           “(1) *A period of service on active duty of an offi-*  
4 *cer pursuant to an agreement under section 2107(b)*  
5 *of title 10.*

6           “(2) *A period of service on active duty of an offi-*  
7 *cer pursuant to an agreement under section 4348,*  
8 *6959, or 9348 of title 10.*

9           “(3) *A period of service that is terminated be-*  
10 *cause of a defective enlistment and induction based*  
11 *on—*

12                   “(A) *the individual's being a minor for*  
13 *purposes of service in the Armed Forces;*

14                   “(B) *an erroneous enlistment or induction;*

15                   *or*

16                   “(C) *a defective enlistment agreement.*

17           “(e) *TREATMENT OF INDIVIDUALS ENTITLED UNDER*  
18 *MULTIPLE PROVISIONS.—In the event an individual enti-*  
19 *tled to educational assistance under this chapter is entitled*  
20 *by reason of both paragraphs (4) and (5) of subsection (b),*  
21 *the individual shall be treated as being entitled to edu-*  
22 *cational assistance under this chapter by reason of para-*  
23 *graph (5) of subsection (b).*

1 **“§ 3312. Educational assistance: duration**

2       “(a) *IN GENERAL.*—Subject to section 3695 and except  
3 as provided in subsections (b) and (c), an individual enti-  
4 tled to educational assistance under this chapter is entitled  
5 to a number of months of educational assistance under sec-  
6 tion 3313 equal to 36 months.

7       “(b) *CONTINUING RECEIPT.*—The receipt of edu-  
8 cational assistance under section 3313 by an individual en-  
9 titled to educational assistance under this chapter is subject  
10 to the provisions of section 3321(b)(2).

11       “(c) *DISCONTINUATION OF EDUCATION FOR ACTIVE*  
12 *DUTY.*—

13               “(1) *IN GENERAL.*—Any payment of educational  
14 assistance described in paragraph (2) shall not—

15                       “(A) be charged against any entitlement to  
16 educational assistance of the individual con-  
17 cerned under this chapter; or

18                       “(B) be counted against the aggregate pe-  
19 riod for which section 3695 limits the individ-  
20 ual’s receipt of educational assistance under this  
21 chapter.

22       “(2) *DESCRIPTION OF PAYMENT OF EDU-*  
23 *CATIONAL ASSISTANCE.*—Subject to paragraph (3),  
24 the payment of educational assistance described in  
25 this paragraph is the payment of such assistance to  
26 an individual for pursuit of a course or courses under

1 *this chapter if the Secretary finds that the indi-*  
2 *vidual—*

3 *“(A)(i) in the case of an individual not*  
4 *serving on active duty, had to discontinue such*  
5 *course pursuit as a result of being called or or-*  
6 *dered to serve on active duty under section 688,*  
7 *12301(a), 12301(d), 12301(g), 12302, or 12304 of*  
8 *title 10; or*

9 *“(ii) in the case of an individual serving on*  
10 *active duty, had to discontinue such course pur-*  
11 *suit as a result of being ordered to a new duty*  
12 *location or assignment or to perform an in-*  
13 *creased amount of work; and*

14 *“(B) failed to receive credit or lost training*  
15 *time toward completion of the individual’s ap-*  
16 *proved education, professional, or vocational ob-*  
17 *jective as a result of having to discontinue, as*  
18 *described in subparagraph (A), the individual’s*  
19 *course pursuit.*

20 *“(3) PERIOD FOR WHICH PAYMENT NOT*  
21 *CHARGED.—The period for which, by reason of this*  
22 *subsection, educational assistance is not charged*  
23 *against entitlement or counted toward the applicable*  
24 *aggregate period under section 3695 of this title shall*  
25 *not exceed the portion of the period of enrollment in*

1        *the course or courses from which the individual failed*  
2        *to receive credit or with respect to which the indi-*  
3        *vidual lost training time, as determined under para-*  
4        *graph (2)(B).*

5        **“§ 3313. Educational assistance: amount; payment**

6        *“(a) PAYMENT.—The Secretary shall pay to each indi-*  
7        *vidual entitled to educational assistance under this chapter*  
8        *who is pursuing an approved program of education (other*  
9        *than a program covered by subsections (e) and (f)) the*  
10       *amounts specified in subsection (c) to meet the expenses of*  
11       *such individual’s subsistence, tuition, fees, and other edu-*  
12       *cational costs for pursuit of such program of education.*

13       *“(b) APPROVED PROGRAMS OF EDUCATION.—A pro-*  
14       *gram of education is an approved program of education*  
15       *for purposes of this chapter if the program of education is*  
16       *offered by an institution of higher learning (as that term*  
17       *is defined in section 3452(f)) and is approved for purposes*  
18       *of chapter 30 (including approval by the State approving*  
19       *agency concerned).*

20       *“(c) AMOUNT OF EDUCATIONAL ASSISTANCE.—The*  
21       *amounts payable under this subsection for pursuit of an*  
22       *approved program of education are amounts as follows:*

23                *“(1) In the case of an individual entitled to edu-*  
24                *cational assistance under this chapter by reason of*  
25                *section 3311(b)(1) or 3311(b)(2), amounts as follows:*

1           “(A) An amount equal to the established  
2 charges for the program of education, except that  
3 the amount payable under this subparagraph  
4 may not exceed the maximum amount of estab-  
5 lished charges regularly charged in-State stu-  
6 dents for full-time pursuit of approved programs  
7 of education for undergraduates by the public in-  
8 stitution of higher education offering approved  
9 programs of education for undergraduates in the  
10 State in which the individual is enrolled that  
11 has the highest rate of regularly-charged estab-  
12 lished charges for such programs of education  
13 among all public institutions of higher education  
14 in such State offering such programs of edu-  
15 cation.

16           “(B) A monthly stipend in an amount as  
17 follows:

18           “(i) For each month the individual  
19 pursues the program of education (other  
20 than, in the case of assistance under this  
21 section only, a program of education offered  
22 through distance learning), a monthly hous-  
23 ing stipend amount equal to the monthly  
24 amount of the basic allowance for housing  
25 payable under section 403 of title 37 for a

1            *member with dependents in pay grade E-5*  
2            *residing in the military housing area that*  
3            *encompasses all or the majority portion of*  
4            *the ZIP code area in which is located the*  
5            *institution of higher education at which the*  
6            *individual is enrolled.*

7            *“(ii) For the first month of each quar-*  
8            *ter, semester, or term, as applicable, of the*  
9            *program of education pursued by the indi-*  
10           *vidual, a lump sum amount for books, sup-*  
11           *plies, equipment, and other educational*  
12           *costs with respect to such quarter, semester,*  
13           *or term in the amount equal to—*

14                    *“(I) \$1,000, multiplied by*

15                    *“(II) the fraction which is the*  
16                    *portion of a complete academic year*  
17                    *under the program of education that*  
18                    *such quarter, semester, or term con-*  
19                    *stitutes.*

20            *“(2) In the case of an individual entitled to edu-*  
21            *cational assistance under this chapter by reason of*  
22            *section 3311(b)(3), amounts equal to 90 percent of the*  
23            *amounts that would be payable to the individual*  
24            *under paragraph (1) for the program of education if*  
25            *the individual were entitled to amounts for the pro-*

1        *gram of education under paragraph (1) rather than*  
2        *this paragraph.*

3                *“(3) In the case of an individual entitled to edu-*  
4        *cational assistance under this chapter by reason of*  
5        *section 3311(b)(4), amounts equal to 80 percent of the*  
6        *amounts that would be payable to the individual*  
7        *under paragraph (1) for the program of education if*  
8        *the individual were entitled to amounts for the pro-*  
9        *gram of education under paragraph (1) rather than*  
10       *this paragraph.*

11               *“(4) In the case of an individual entitled to edu-*  
12       *cational assistance under this chapter by reason of*  
13       *section 3311(b)(5), amounts equal to 70 percent of the*  
14       *amounts that would be payable to the individual*  
15       *under paragraph (1) for the program of education if*  
16       *the individual were entitled to amounts for the pro-*  
17       *gram of education under paragraph (1) rather than*  
18       *this paragraph.*

19               *“(5) In the case of an individual entitled to edu-*  
20       *cational assistance under this chapter by reason of*  
21       *section 3311(b)(6), amounts equal to 60 percent of the*  
22       *amounts that would be payable to the individual*  
23       *under paragraph (1) for the program of education if*  
24       *the individual were entitled to amounts for the pro-*

1 *gram of education under paragraph (1) rather than*  
2 *this paragraph.*

3 “(6) *In the case of an individual entitled to edu-*  
4 *cational assistance under this chapter by reason of*  
5 *section 3311(b)(7), amounts equal to 50 percent of the*  
6 *amounts that would be payable to the individual*  
7 *under paragraph (1) for the program of education if*  
8 *the individual were entitled to amounts for the pro-*  
9 *gram of education under paragraph (1) rather than*  
10 *this paragraph.*

11 “(7) *In the case of an individual entitled to edu-*  
12 *cational assistance under this chapter by reason of*  
13 *section 3311(b)(8), amounts equal to 40 percent of the*  
14 *amounts that would be payable to the individual*  
15 *under paragraph (1) for the program of education if*  
16 *the individual were entitled to amounts for the pro-*  
17 *gram of education under paragraph (1) rather than*  
18 *this paragraph.*

19 “(d) *FREQUENCY OF PAYMENT.—*

20 “(1) *QUARTER, SEMESTER, OR TERM PAY-*  
21 *MENTS.—Payment of the amounts payable under sub-*  
22 *section (c)(1)(A), and of similar amounts payable*  
23 *under paragraphs (2) through (7) of subsection (c),*  
24 *for pursuit of a program of education shall be made*

1       *for the entire quarter, semester, or term, as applica-*  
2       *ble, of the program of education.*

3               “(2) *MONTHLY PAYMENTS.*—*Payment of the*  
4       *amount payable under subsection (c)(1)(B), and of*  
5       *similar amounts payable under paragraphs (2)*  
6       *through (7) of subsection (c), for pursuit of a program*  
7       *of education shall be made on a monthly basis.*

8               “(3) *REGULATIONS.*—*The Secretary shall pre-*  
9       *scribe in regulations methods for determining the*  
10       *number of months (including fractions thereof) of en-*  
11       *titlement of an individual to educational assistance*  
12       *this chapter that are chargeable under this chapter for*  
13       *an advance payment of amounts under paragraphs*  
14       *(1) and (2) for pursuit of a program of education on*  
15       *a quarter, semester, term, or other basis.*

16               “(e) *PROGRAMS OF EDUCATION PURSUED ON ACTIVE*  
17       *DUTY.*—

18               “(1) *IN GENERAL.*—*Educational assistance is*  
19       *payable under this chapter for pursuit of an approved*  
20       *program of education while on active duty.*

21               “(2) *AMOUNT OF ASSISTANCE.*—*The amount of*  
22       *educational assistance payable under this chapter to*  
23       *an individual pursuing a program of education while*  
24       *on active duty is the lesser of—*

1           “(A) *the established charges which similarly*  
2           *circumstanced nonveterans enrolled in the pro-*  
3           *gram of education involved would be required to*  
4           *pay; or*

5           “(B) *the amount of the charges of the edu-*  
6           *cational institution as elected by the individual*  
7           *in the manner specified in section 3014(b)(1)*

8           “(3) *QUARTER, SEMESTER, OR TERM PAY-*  
9           *MENTS.—Payment of the amount payable under*  
10          *paragraph (2) for pursuit of a program of education*  
11          *shall be made for the entire quarter, semester, or term,*  
12          *as applicable, of the program of education.*

13          “(4) *MONTHLY PAYMENTS.—For each month (as*  
14          *determined pursuant to the methods prescribed under*  
15          *subsection (d)(3)) for which amounts are paid an in-*  
16          *dividual under this subsection, the entitlement of the*  
17          *individual to educational assistance under this chap-*  
18          *ter shall be charged at the rate of one month for each*  
19          *such month.*

20          “(f) *PROGRAMS OF EDUCATION PURSUED ON HALF-*  
21          *TIME BASIS OR LESS.—*

22                 “(1) *IN GENERAL.—Educational assistance is*  
23                 *payable under this chapter for pursuit of an approved*  
24                 *program of education on half-time basis or less.*

1           “(2) *AMOUNT OF ASSISTANCE.*—*The educational*  
2           *assistance payable under this chapter to an indi-*  
3           *vidual pursuing a program of education on half-time*  
4           *basis or less is the amounts as follows:*

5                   “(A) *The amount equal to the lesser of—*

6                           “(i) *the established charges which simi-*  
7                           *larly circumstanced nonveterans enrolled in*  
8                           *the program of education involved would be*  
9                           *required to pay; or*

10                           “(ii) *the maximum amount that would*  
11                           *be payable to the individual for the pro-*  
12                           *gram of education under paragraph (1)(A)*  
13                           *of subsection (c), or under the provisions of*  
14                           *paragraphs (2) through (7) of subsection (c)*  
15                           *applicable to the individual, for the pro-*  
16                           *gram of education if the individual were en-*  
17                           *titled to amounts for the program of edu-*  
18                           *cation under subsection (c) rather than this*  
19                           *subsection.*

20                           “(B) *A stipend in an amount equal to the*  
21                           *amount of the appropriately reduced amount of*  
22                           *the lump sum amount for books, supplies, equip-*  
23                           *ment, and other educational costs otherwise pay-*  
24                           *able to the individual under subsection (c).*

1           “(3) *QUARTER, TERM, OR SEMESTER PAY-*  
2           *MENTS.—Payment of the amounts payable to an indi-*  
3           *vidual under paragraph (2) for pursuit of a program*  
4           *of education on half-time basis or less shall be made*  
5           *for the entire quarter, semester, or term, as applica-*  
6           *ble, of the program of education.*

7           “(4) *MONTHLY PAYMENTS.—For each month (as*  
8           *determined pursuant to the methods prescribed under*  
9           *subsection (d)(3)) for which amounts are paid an in-*  
10          *dividual under this subsection, the entitlement of the*  
11          *individual to educational assistance under this chap-*  
12          *ter shall be charged at a percentage of a month equal*  
13          *to—*

14                 “(A) *the number of course hours borne by*  
15                 *the individual in pursuit of the program of edu-*  
16                 *cation involved, divided by*

17                 “(B) *the number of course hours for full-*  
18                 *time pursuit of such program of education.*

19           “(g) *PAYMENT OF ESTABLISHED CHARGES TO EDU-*  
20           *CATIONAL INSTITUTIONS.—Amounts payable under sub-*  
21           *sections (c)(1)(A) (and of similar amounts payable under*  
22           *paragraphs (2) through (7) of subsection (c)), (e)(2), and*  
23           *(f)(2)(A) shall be paid directly to the educational institu-*  
24           *tion concerned.*

25           “(h) *ESTABLISHED CHARGES DEFINED.—*

1           “(1) *IN GENERAL.*—*In this section, the term ‘es-*  
2           *tablished charges’, in the case of a program of edu-*  
3           *cation, means the actual charges (as determined pur-*  
4           *suant to regulations prescribed by the Secretary) for*  
5           *tuition and fees which similarly circumstanced non-*  
6           *veterans enrolled in the program of education would*  
7           *be required to pay.*

8           “(2) *BASIS OF DETERMINATION.*—*Established*  
9           *charges shall be determined for purposes of this sub-*  
10           *section on the following basis:*

11                   “(A) *In the case of an individual enrolled*  
12                   *in a program of education offered on a term,*  
13                   *quarter, or semester basis, the tuition and fees*  
14                   *charged the individual for the term, quarter, or*  
15                   *semester.*

16                   “(B) *In the case of an individual enrolled*  
17                   *in a program of education not offered on a term,*  
18                   *quarter, or semester basis, the tuition and fees*  
19                   *charged the individual for the entire program of*  
20                   *education.*

21   **“§ 3314. Tutorial assistance**

22           “(a) *IN GENERAL.*—*Subject to subsection (b), an indi-*  
23           *vidual entitled to educational assistance under this chapter*  
24           *shall also be entitled to benefits provided an eligible veteran*  
25           *under section 3492.*

1       “(b) *CONDITIONS.*—

2               “(1) *IN GENERAL.*—*The provision of benefits*  
3       *under subsection (a) shall be subject to the conditions*  
4       *applicable to an eligible veteran under section 3492.*

5               “(2) *CERTIFICATION.*—*In addition to the condi-*  
6       *tions specified in paragraph (1), benefits may not be*  
7       *provided to an individual under subsection (a) unless*  
8       *the professor or other individual teaching, leading, or*  
9       *giving the course for which such benefits are provided*  
10       *certifies that—*

11                       “(A) *such benefits are essential to correct a*  
12                       *deficiency of the individual in such course; and*

13                       “(B) *such course is required as a part of, or*  
14                       *is prerequisite or indispensable to the satisfac-*  
15                       *tory pursuit of, an approved program of edu-*  
16                       *cation.*

17       “(c) *AMOUNT.*—

18               “(1) *IN GENERAL.*—*The amount of benefits de-*  
19       *scribed in subsection (a) that are payable under this*  
20       *section may not exceed \$100 per month, for a max-*  
21       *imum of 12 months, or until a maximum of \$1,200*  
22       *is utilized.*

23               “(2) *AS ADDITIONAL ASSISTANCE.*—*The amount*  
24       *provided an individual under this subsection is in*

1       *addition to the amounts of educational assistance*  
 2       *paid the individual under section 3313.*

3       “(d) *NO CHARGE AGAINST ENTITLEMENT.—Any bene-*  
 4       *fits provided an individual under subsection (a) are in ad-*  
 5       *dition to any other educational assistance benefits provided*  
 6       *the individual under this chapter.*

7       **“§3315. Licensure and certification tests**

8       “(a) *IN GENERAL.—An individual entitled to edu-*  
 9       *cational assistance under this chapter shall also be entitled*  
 10       *to payment for one licensing or certification test described*  
 11       *in section 3452(b).*

12       “(b) *LIMITATION ON AMOUNT.—The amount payable*  
 13       *under subsection (a) for a licensing or certification test may*  
 14       *not exceed the lesser of—*

15               “(1) \$2,000; or

16               “(2) the fee charged for the test.

17       “(c) *NO CHARGE AGAINST ENTITLEMENT.—Any*  
 18       *amount paid an individual under subsection (a) is in addi-*  
 19       *tion to any other educational assistance benefits provided*  
 20       *the individual under this chapter.*

21       **“§3316. Supplemental educational assistance: mem-**  
 22                       **bers with critical skills or specialty; mem-**  
 23                       **bers serving additional service**

24       “(a) *INCREASED ASSISTANCE FOR MEMBERS WITH*  
 25       *CRITICAL SKILLS OR SPECIALTY.—*

1           “(1) *IN GENERAL.*—*In the case of an individual*  
2 *who has a skill or specialty designated by the Sec-*  
3 *retary concerned as a skill or specialty in which there*  
4 *is a critical shortage of personnel or for which it is*  
5 *difficult to recruit or, in the case of critical units, re-*  
6 *tain personnel, the Secretary concerned may increase*  
7 *the monthly amount of educational assistance other-*  
8 *wise payable to the individual under paragraph*  
9 *(1)(B) of section 3313(c), or under paragraphs (2)*  
10 *through (7) of such section (as applicable).*

11           “(2) *MAXIMUM AMOUNT OF INCREASE IN ASSIST-*  
12 *ANCE.*—*The amount of the increase in educational as-*  
13 *sistance authorized by paragraph (1) may not exceed*  
14 *the amount equal to the monthly amount of increased*  
15 *basic educational assistance providable under section*  
16 *3015(d)(1) at the time of the increase under para-*  
17 *graph (1).*

18           “(b) *SUPPLEMENTAL ASSISTANCE FOR ADDITIONAL*  
19 *SERVICE.*—

20           “(1) *IN GENERAL.*—*The Secretary concerned*  
21 *may provide for the payment to an individual enti-*  
22 *tled to educational assistance under this chapter of*  
23 *supplemental educational assistance for additional*  
24 *service authorized by subchapter III of chapter 30.*  
25 *The amount so payable shall be payable as an in-*



1 *charges (as specified in section 3313), the Secretary shall*  
2 *carry out a program under which colleges and universities*  
3 *can, voluntarily, enter into an agreement with the Sec-*  
4 *retary to cover a portion of those established charges not*  
5 *otherwise covered under section 3313(c)(1)(A), which con-*  
6 *tributions shall be matched by equivalent contributions to-*  
7 *ward such costs by the Secretary. The program shall only*  
8 *apply to covered individuals described in paragraphs (1)*  
9 *and (2) of section 3311(b).*

10       “(b) *DESIGNATION OF PROGRAM.*—*The program under*  
11 *this section shall be known as the ‘Yellow Ribbon G.I. Edu-*  
12 *cation Enhancement Program’.*

13       “(c) *AGREEMENTS.*—*The Secretary shall enter into an*  
14 *agreement with each college or university seeking to partici-*  
15 *pate in the program under this section. Each agreement*  
16 *shall specify the following:*

17               “(1) *The manner (whether by direct grant, schol-*  
18 *arship, or otherwise) of the contributions to be made*  
19 *by the college or university concerned.*

20               “(2) *The maximum amount of the contribution*  
21 *to be made by the college or university concerned with*  
22 *respect to any particular individual in any given*  
23 *academic year.*

1           “(3) *The maximum number of individuals for*  
2 *whom the college or university concerned will make*  
3 *contributions in any given academic year.*

4           “(4) *Such other matters as the Secretary and the*  
5 *college or university concerned jointly consider appro-*  
6 *priate.*

7           “(d) *MATCHING CONTRIBUTIONS.—*

8           “(1) *IN GENERAL.—In instances where the edu-*  
9 *catinal assistance provided an individual under sec-*  
10 *tion 3313(c)(1)(A) does not cover the full cost of tui-*  
11 *tion and mandatory fees at a college or university,*  
12 *the Secretary shall provide up to 50 percent of the re-*  
13 *maining costs for tuition and mandatory fees if the*  
14 *college or university voluntarily enters into an agree-*  
15 *ment with the Secretary to match an equal percentage*  
16 *of any of the remaining costs for such tuition and*  
17 *fees.*

18           “(2) *USE OF APPROPRIATED FUNDS.—Amounts*  
19 *available to the Secretary under section 3324(b) for*  
20 *payment of the costs of this chapter shall be available*  
21 *to the Secretary for purposes of paragraph (1).*

22           “(e) *OUTREACH.—The Secretary shall make available*  
23 *on the Internet website of the Department available to the*  
24 *public a current list of the colleges and universities partici-*  
25 *pating in the program under this section. The list shall*

1 *specify, for each college or university so listed, appropriate*  
 2 *information on the agreement between the Secretary and*  
 3 *such college or university under subsection (c).*

4 **“§ 3318. Additional assistance: relocation or travel as-**  
 5 ****sistance for individual relocating or trav-****  
 6 ****eling significant distance for pursuit of a****  
 7 ****program of education****

8       “(a) *ADDITIONAL ASSISTANCE.*—*Each individual de-*  
 9 *scribed in subsection (b) shall be paid additional assistance*  
 10 *under this section in the amount of \$500.*

11       “(b) *COVERED INDIVIDUALS.*—*An individual described*  
 12 *in this subsection is any individual entitled to educational*  
 13 *assistance under this chapter—*

14               “(1) *who resides in a county (or similar entity*  
 15 *utilized by the Bureau of the Census) with less than*  
 16 *seven persons per square mile, according to the most*  
 17 *recent decennial Census; and*

18               “(2) *who—*

19                       “(A) *physically relocates a distance of at*  
 20 *least 500 miles in order to pursue a program of*  
 21 *education for which the individual utilizes edu-*  
 22 *cational assistance under this chapter; or*

23                       “(B) *travels by air to physically attend an*  
 24 *institution of higher education for pursuit of*  
 25 *such a program of education because the indi-*

1           *vidual cannot travel to such institution by auto-*  
2           *mobile or other established form of transpor-*  
3           *tation due to an absence of road or other infra-*  
4           *structure.*

5           “(c) *PROOF OF RESIDENCE.*—*For purposes of sub-*  
6           *section (b)(1), an individual may demonstrate the individ-*  
7           *ual’s place of residence utilizing any of the following:*

8                   “(1) *DD Form 214, Certification of Release or*  
9                   *Discharge from Active Duty.*

10                   “(2) *The most recent Federal income tax return.*

11                   “(3) *Such other evidence as the Secretary shall*  
12                   *prescribe for purposes of this section.*

13           “(d) *SINGLE PAYMENT OF ASSISTANCE.*—*An indi-*  
14           *vidual is entitled to only one payment of additional assist-*  
15           *ance under this section.*

16           “(e) *NO CHARGE AGAINST ENTITLEMENT.*—*Any*  
17           *amount paid an individual under this section is in addi-*  
18           *tion to any other educational assistance benefits provided*  
19           *the individual under this chapter.*

20           **“§ 3319. Authority to transfer unused education bene-**  
21                   ***fits to family members***

22           “(a) *IN GENERAL.*—*Subject to the provisions of this*  
23           *section, the Secretary of Defense may authorize the Sec-*  
24           *retary concerned, to promote recruitment and retention of*  
25           *members of the Armed Forces, to permit an individual de-*

1 *scribed in subsection (b) who is entitled to educational as-*  
2 *istance under this chapter to elect to transfer to one or*  
3 *more of the dependents specified in subsection (c) a portion*  
4 *of such individual's entitlement to such assistance, subject*  
5 *to the limitation under subsection (d).*

6       “(b) *ELIGIBLE INDIVIDUALS.*—*An individual referred*  
7 *to in subsection (a) is any member of the Armed Forces*  
8 *who, at the time of the approval of the individual's request*  
9 *to transfer entitlement to educational assistance under this*  
10 *section, has completed at least—*

11               “(1) *six years of service in the armed forces and*  
12 *enters into an agreement to serve at least four more*  
13 *years as a member of the Armed Forces; or*

14               “(2) *the years of service as determined in regula-*  
15 *tions pursuant to section (k).*

16       “(c) *ELIGIBLE DEPENDENTS.*—*An individual ap-*  
17 *proved to transfer an entitlement to educational assistance*  
18 *under this section may transfer the individual's entitlement*  
19 *as follows:*

20               “(1) *To the individual's spouse.*

21               “(2) *To one or more of the individual's children.*

22               “(3) *To a combination of the individuals referred*  
23 *to in paragraphs (1) and (2).*

24       “(d) *LIMITATION ON MONTHS OF TRANSFER.*—*The*  
25 *total number of months of entitlement transferred by a indi-*

1 *vidual under this section may not exceed 36 months. The*  
2 *Secretary of Defense may prescribe regulations that would*  
3 *limit the months of entitlement that may be transferred*  
4 *under this section to no less than 18 months.*

5       “(e) *DESIGNATION OF TRANSFEREE.*—*An individual*  
6 *transferring an entitlement to educational assistance under*  
7 *this section shall—*

8               “(1) *designate the dependent or dependents to*  
9 *whom such entitlement is being transferred;*

10              “(2) *designate the number of months of such en-*  
11 *titlement to be transferred to each such dependent;*  
12 *and*

13              “(3) *specify the period for which the transfer*  
14 *shall be effective for each dependent designated under*  
15 *paragraph (1).*

16       “(f) *TIME FOR TRANSFER; REVOCATION AND MODI-*  
17 *FICATION.*—

18              “(1) *TIME FOR TRANSFER.*—*Subject to the time*  
19 *limitation for use of entitlement under section 3321*  
20 *an individual approved to transfer entitlement to*  
21 *educational assistance under this section may transfer*  
22 *such entitlement only while serving as a member of*  
23 *the armed forces when the transfer is executed.*

24              “(2) *MODIFICATION OR REVOCATION.*—

1           “(A) *IN GENERAL.*—*An individual transfer-*  
2           *ring entitlement under this section may modify*  
3           *or revoke at any time the transfer of any unused*  
4           *portion of the entitlement so transferred.*

5           “(B) *NOTICE.*—*The modification or revoca-*  
6           *tion of the transfer of entitlement under this*  
7           *paragraph shall be made by the submittal of*  
8           *written notice of the action to both the Secretary*  
9           *concerned and the Secretary of Veterans Affairs.*

10          “(3) *PROHIBITION ON TREATMENT OF TRANS-*  
11          *FERRED ENTITLEMENT AS MARITAL PROPERTY.*—*En-*  
12          *titlement transferred under this section may not be*  
13          *treated as marital property, or the asset of a marital*  
14          *estate, subject to division in a divorce or other civil*  
15          *proceeding.*

16          “(g) *COMMENCEMENT OF USE.*—*A dependent to whom*  
17          *entitlement to educational assistance is transferred under*  
18          *this section may not commence the use of the transferred*  
19          *entitlement until—*

20                 “(1) *in the case of entitlement transferred to a*  
21                 *spouse, the completion by the individual making the*  
22                 *transfer of at least—*

23                         “(A) *six years of service in the armed forces;*  
24                         *or*

1           “(B) the years of service as determined in  
2 regulations pursuant to subsection (j); or

3           “(2) in the case of entitlement transferred to a  
4 child, both—

5           “(A) the completion by the individual mak-  
6 ing the transfer of at least—

7           “(i) ten years of service in the armed  
8 forces; or

9           “(ii) the years of service as determined  
10 in regulations pursuant to subsection (j);  
11 and

12           “(B) either—

13           “(i) the completion by the child of the  
14 requirements of a secondary school diploma  
15 (or equivalency certificate); or

16           “(ii) the attainment by the child of 18  
17 years of age.

18           “(h) *ADDITIONAL ADMINISTRATIVE MATTERS.*—

19           “(1) *USE.*—The use of any entitlement to edu-  
20 cational assistance transferred under this section shall  
21 be charged against the entitlement of the individual  
22 making the transfer at the rate of one month for each  
23 month of transferred entitlement that is used.

1           “(2) *NATURE OF TRANSFERRED ENTITLE-*  
2           *MENT.—Except as provided under subsection (e)(2)*  
3           *and subject to paragraphs (5) and (6)—*

4                   “(A) *in the case of entitlement transferred*  
5                   *to a spouse under this section, the spouse is enti-*  
6                   *tled to educational assistance under this chapter*  
7                   *in the same manner as the individual from*  
8                   *whom the entitlement was transferred; or*

9                   “(B) *in the case of entitlement transferred*  
10                   *to a child under this section, the child is entitled*  
11                   *to educational assistance under this chapter in*  
12                   *the same manner as the individual from whom*  
13                   *the entitlement was transferred as if the indi-*  
14                   *vidual were not on active duty.*

15           “(3) *RATE OF PAYMENT.—The monthly rate of*  
16           *educational assistance payable to a dependent to*  
17           *whom entitlement referred to in paragraph (2) is*  
18           *transferred under this section shall be payable—*

19                   “(A) *in the case of a spouse, at the same*  
20                   *rate as such entitlement would otherwise be pay-*  
21                   *able under this chapter to the individual making*  
22                   *the transfer; or*

23                   “(B) *in the case of a child, at the same rate*  
24                   *as such entitlement would otherwise be payable*  
25                   *under this chapter to the individual making the*

1           *transfer as if the individual were not on active*  
2           *duty.*

3           “(4) *DEATH OF TRANSFEROR.*—*The death of an*  
4           *individual transferring an entitlement under this sec-*  
5           *tion shall not affect the use of the entitlement by the*  
6           *dependent to whom the entitlement is transferred.*

7           “(5) *LIMITATION ON AGE OF USE BY CHILD*  
8           *TRANSFEREES.*—*A child to whom entitlement is*  
9           *transferred under this section may use the benefit*  
10          *without regard to the 15-year delimiting date, but*  
11          *may not use any entitlement so transferred after at-*  
12          *taining the age of 26 years.*

13          “(6) *SCOPE OF USE BY TRANSFEREES.*—*The*  
14          *purposes for which a dependent to whom entitlement*  
15          *is transferred under this section may use such entitle-*  
16          *ment shall include the pursuit and completion of the*  
17          *requirements of a secondary school diploma (or*  
18          *equivalency certificate).*

19          “(7) *ADDITIONAL ADMINISTRATIVE PROVI-*  
20          *SIONS.*—*The administrative provisions of this chapter*  
21          *shall apply to the use of entitlement transferred under*  
22          *this section, except that the dependent to whom the*  
23          *entitlement is transferred shall be treated as the eligi-*  
24          *ble individual for purposes of such provisions.*

25          “(i) *OVERPAYMENT.*—

1           “(1) *JOINT AND SEVERAL LIABILITY.*—*In the*  
2 *event of an overpayment of educational assistance*  
3 *with respect to a dependent to whom entitlement is*  
4 *transferred under this section, the dependent and the*  
5 *individual making the transfer shall be jointly and*  
6 *severally liable to the United States for the amount*  
7 *of the overpayment for purposes of section 3685.*

8           “(2) *FAILURE TO COMPLETE SERVICE AGREE-*  
9 *MENT.*—

10           “(A) *IN GENERAL.*—*Except as provided in*  
11 *subparagraph (B), if an individual transferring*  
12 *entitlement under this section fails to complete*  
13 *the service agreed to by the individual under*  
14 *subsection (b)(1) in accordance with the terms of*  
15 *the agreement of the individual under that sub-*  
16 *section, the amount of any transferred entitle-*  
17 *ment under this section that is used by a de-*  
18 *pendent of the individual as of the date of such*  
19 *failure shall be treated as an overpayment of*  
20 *educational assistance under paragraph (1).*

21           “(B) *EXCEPTION.*—*Subparagraph (A) shall*  
22 *not apply in the case of an individual who fails*  
23 *to complete service agreed to by the individual—*

24           “*(i) by reason of the death of the indi-*  
25 *vidual; or*

1                   “(ii) for a reason referred to in section  
2                   3311(c)(4).

3           “(j) *REGULATIONS.*—(1) *The Secretary of Defense, in*  
4 *coordination with the Secretary of Veterans Affairs, shall*  
5 *prescribe regulations for purposes of this section.*

6           “(2) *Such regulations shall specify—*

7                   “(A) *the manner of authorizing the transfer of*  
8 *entitlements under this section;*

9                   “(B) *the eligibility criteria in accordance with*  
10 *subsection (b); and*

11                   “(C) *the manner and effect of an election to*  
12 *modify or revoke a transfer of entitlement under sub-*  
13 *section (f)(2).*

14           “(k) *SECRETARY CONCERNED DEFINED.*—*Notwith-*  
15 *standing section 101(25), in this section, the term ‘Sec-*  
16 *retary concerned’ means—*

17                   “(1) *the Secretary of the Army with respect to*  
18 *matters concerning the Army;*

19                   “(2) *the Secretary of the Navy with respect to*  
20 *matters concerning the Navy or the Marine Corps;*

21                   “(3) *the Secretary of the Air Force with respect*  
22 *to matters concerning the Air Force; and*

23                   “(4) *the Secretary of Defense with respect to*  
24 *matters concerning the Coast Guard, or the Secretary*

1       of Homeland Security when it is not operating as a  
2       service in the Navy.

3               “SUBCHAPTER III—ADMINISTRATIVE  
4                               PROVISIONS

5       “§ 3321. **Time limitation for use of and eligibility for**  
6                               **entitlement**

7               “(a) *IN GENERAL.*—Except as provided in this section,  
8       the period during which an individual entitled to edu-  
9       cational assistance under this chapter may use such indi-  
10      vidual’s entitlement expires at the end of the 15-year period  
11      beginning on the date of such individual’s last discharge  
12      or release from active duty.

13              “(b) *EXCEPTIONS.*—

14                      “(1) *APPLICABILITY OF SECTION 3031 TO RUN-*  
15                      *NING OF PERIOD.*—Subsections (b), (c), and (d) of sec-  
16                      tion 3031 shall apply with respect to the running of  
17                      the 15-year period described in subsection (a) of this  
18                      section in the same manner as such subsections apply  
19                      under section 3031 with respect to the running of the  
20                      10-year period described in section 3031(a).

21                      “(2) *APPLICABILITY OF SECTION 3031 TO TERMI-*  
22                      *NATION.*—Section 3031(f) shall apply with respect to  
23                      the termination of an individual’s entitlement to edu-  
24                      cational assistance under this chapter in the same  
25                      manner as such section applies to the termination of

1        *an individual's entitlement to educational assistance*  
2        *under chapter 30, except that, in the administration*  
3        *of such section for purposes of this chapter, the ref-*  
4        *erence to section 3013 shall be deemed to be a ref-*  
5        *erence to 3312.*

6                *“(3) DETERMINATION OF LAST DISCHARGE OR*  
7        *RELEASE.—For purposes of subsection (a), an indi-*  
8        *vidual's last discharge or release from active duty*  
9        *shall not include any discharge or release from a pe-*  
10        *riod of active duty of less than 90 days of continuous*  
11        *service, unless the individual is discharged or released*  
12        *as described in section 3311(b)(2).*

13        **“§3322. Bar to duplication of educational assistance**  
14                **benefits**

15                *“(a) IN GENERAL.—An individual entitled to edu-*  
16        *cational assistance under this chapter who is also eligible*  
17        *for educational assistance under chapter 30, 31, 32, or 35*  
18        *of this title, chapter 107, 1606, or 1607 of title 10, or the*  
19        *provisions of the Hostage Relief Act of 1980 (Public Law*  
20        *96–449; 5 U.S.C. 5561 note) may not receive assistance*  
21        *under two or more such programs concurrently, but shall*  
22        *elect (in such form and manner as the Secretary may pre-*  
23        *scribe) under which chapter or provisions to receive edu-*  
24        *cational assistance.*

1           “(b) *INAPPLICABILITY OF SERVICE TREATED UNDER*  
2 *EDUCATIONAL LOAN REPAYMENT PROGRAMS.*—A period of  
3 *service counted for purposes of repayment of an education*  
4 *loan under chapter 109 of title 10 may not be counted as*  
5 *a period of service for entitlement to educational assistance*  
6 *under this chapter.*

7           “(c) *SERVICE IN SELECTED RESERVE.*—An individual  
8 *who serves in the Selected Reserve may receive credit for*  
9 *such service under only one of this chapter, chapter 30 of*  
10 *this title, and chapters 1606 and 1607 of title 10, and shall*  
11 *elect (in such form and manner as the Secretary may pre-*  
12 *scribe) under which chapter such service is to be credited.*

13           “(d) *ADDITIONAL COORDINATION MATTERS.*—In the  
14 *case of an individual entitled to educational assistance*  
15 *under chapter 30, 31, 32, or 35 of this title, chapter 107,*  
16 *1606, or 1607 of title 10, or the provisions of the Hostage*  
17 *Relief Act of 1980, or making contributions toward entitle-*  
18 *ment to educational assistance under chapter 30 of this*  
19 *title, as of August 1, 2009, coordination of entitlement to*  
20 *educational assistance under this chapter, on the one hand,*  
21 *and such chapters or provisions, on the other, shall be gov-*  
22 *erned by the provisions of section 5003(c) of the Post-9/11*  
23 *Veterans Educational Assistance Act of 2008.*

24           “**§ 3323. Administration**

25           “(a) *IN GENERAL.*—

1           “(1) *IN GENERAL.*—*Except as otherwise provided*  
2 *in this chapter, the provisions specified in section*  
3 *3034(a)(1) shall apply to the provision of educational*  
4 *assistance under this chapter.*

5           “(2) *SPECIAL RULE.*—*In applying the provisions*  
6 *referred to in paragraph (1) to an individual entitled*  
7 *to educational assistance under this chapter for pur-*  
8 *poses of this section, the reference in such provisions*  
9 *to the term ‘eligible veteran’ shall be deemed to refer*  
10 *to an individual entitled to educational assistance*  
11 *under this chapter.*

12           “(3) *RULE FOR APPLYING SECTION 3474.*—*In ap-*  
13 *plying section 3474 to an individual entitled to edu-*  
14 *cational assistance under this chapter for purposes of*  
15 *this section, the reference in such section 3474 to the*  
16 *term ‘educational assistance allowance’ shall be*  
17 *deemed to refer to educational assistance payable*  
18 *under section 3313.*

19           “(4) *RULE FOR APPLYING SECTION 3482.*—*In ap-*  
20 *plying section 3482(g) to an individual entitled to*  
21 *educational assistance under this chapter for purposes*  
22 *of this section—*

23                   “(A) *the first reference to the term ‘edu-*  
24 *cational assistance allowance’ in such section*

1           3482(g) shall be deemed to refer to educational  
2           assistance payable under section 3313; and

3           “(B) the first sentence of paragraph (1) of  
4           such section 3482(g) shall be applied as if such  
5           sentence ended with ‘equipment’.

6           “(b) *INFORMATION ON BENEFITS.*—

7           “(1) *TIMING FOR PROVIDING.*—The Secretary  
8           shall provide the information described in paragraph  
9           (2) to each member of the Armed Forces at such times  
10          as the Secretary and the Secretary of Defense shall  
11          jointly prescribe in regulations.

12          “(2) *DESCRIPTION OF INFORMATION.*—The infor-  
13          mation described in this paragraph is information on  
14          benefits, limitations, procedures, eligibility require-  
15          ments (including time-in-service requirements), and  
16          other important aspects of educational assistance  
17          under this chapter, including application forms for  
18          such assistance under section 5102.

19          “(3) *TO WHOM PROVIDED.*—The Secretary of  
20          Veterans Affairs shall furnish the information and  
21          forms described in paragraph (2), and other edu-  
22          cational materials on educational assistance under  
23          this chapter, to educational institutions, training es-  
24          tablishments, military education personnel, and such

1     *other persons and entities as the Secretary considers*  
 2     *appropriate.*

3     “(c) *REGULATIONS.*—

4             “(1) *IN GENERAL.*—*The Secretary shall prescribe*  
 5     *regulations for the administration of this chapter.*

6             “(2) *UNIFORMITY.*—*Any regulations prescribed*  
 7     *by the Secretary of Defense for purposes of this chap-*  
 8     *ter shall apply uniformly across the Armed Forces.*

9     **“§ 3324. Allocation of administration and costs**

10            “(a) *ADMINISTRATION.*—*Except as otherwise provided*  
 11     *in this chapter, the Secretary shall administer the provision*  
 12     *of educational assistance under this chapter.*

13            “(b) *COSTS.*—*Payments for entitlement to educational*  
 14     *assistance earned under this chapter shall be made from*  
 15     *funds appropriated to, or otherwise made available to, the*  
 16     *Department for the payment of readjustment benefits.”.*

17            (2) *CLERICAL AMENDMENTS.*—*The tables of*  
 18     *chapters at the beginning of title 38, United States*  
 19     *Code, and at the beginning of part III of such title,*  
 20     *are each amended by inserting after the item relating*  
 21     *to chapter 32 the following new item:*

**“33. Post-9/11 Educational Assistance ..... 3301.”.**

22            (b) *CONFORMING AMENDMENTS.*—

23            (1) *AMENDMENTS RELATING TO DUPLICATION*  
 24     *OF BENEFITS.*—

1           (A) *Section 3033 of title 38, United States*  
2 *Code, is amended—*

3           (i) *in subsection (a)(1) by inserting*  
4 *“33,” after “32,”; and*

5           (ii) *in subsection (c) by striking “both*  
6 *the program established by this chapter and*  
7 *the program established by chapter 106 of*  
8 *title 10” and inserting “two or more of the*  
9 *programs established by this chapter, chap-*  
10 *ter 33 of this title, and chapters 1606 and*  
11 *1607 of title 10”.*

12           (B) *Paragraph (4) of section 3695(a) of*  
13 *such title is amended to read as follows:*

14 *“(4) Chapters 30, 32, 33, 34, 35, and 36.”.*

15           (C) *Section 16163(e) of title 10, United*  
16 *States Code, is amended by inserting “33,” after*  
17 *“32,”.*

18 (2) *ADDITIONAL CONFORMING AMENDMENTS.—*

19           (A) *Title 38, United States Code, is further*  
20 *amended by inserting “33,” after “32,” each*  
21 *place it appears in the following provisions:*

22           (i) *In subsections (b) and (e)(1) of sec-*  
23 *tion 3485.*

24           (ii) *In section 3688(b).*

1                   (iii) In subsections (a)(1), (c)(1),  
2                   (c)(1)(G), (d), and (e)(2) of section 3689.

3                   (iv) In section 3690( b)(3)(A).

4                   (v) In subsections (a) and (b) of section  
5                   3692.

6                   (vi) In section 3697(a).

7                   (B) Section 3697A(b)(1) of such title is  
8                   amended by striking “or 32” and inserting “32,  
9                   or 33”.

10                  (c) *APPLICABILITY TO INDIVIDUALS UNDER MONT-*  
11 *GOMERY GI BILL PROGRAM.—*

12                   (1) *INDIVIDUALS ELIGIBLE TO ELECT PARTICI-*  
13 *PATION IN POST-9/11 EDUCATIONAL ASSISTANCE.—An*  
14 *individual may elect to receive educational assistance*  
15 *under chapter 33 of title 38, United States Code (as*  
16 *added by subsection (a)), if such individual—*

17                   (A) *as of August 1, 2009—*

18                   (i) *is entitled to basic educational as-*  
19 *sistance under chapter 30 of title 38, United*  
20 *States Code, and has used, but retains un-*  
21 *used, entitlement under that chapter;*

22                   (ii) *is entitled to educational assist-*  
23 *ance under chapter 107, 1606, or 1607 of*  
24 *title 10, United States Code, and has used,*

1           *but retains unused, entitlement under the*  
2           *applicable chapter;*

3           *(iii) is entitled to basic educational as-*  
4           *istance under chapter 30 of title 38, United*  
5           *States Code, but has not used any entitle-*  
6           *ment under that chapter;*

7           *(iv) is entitled to educational assist-*  
8           *ance under chapter 107, 1606, or 1607 of*  
9           *title 10, United States Code, but has not*  
10          *used any entitlement under such chapter;*

11          *(v) is a member of the Armed Forces*  
12          *who is eligible for receipt of basic edu-*  
13          *cational assistance under chapter 30 of title*  
14          *38, United States Code, and is making con-*  
15          *tributions toward such assistance under sec-*  
16          *tion 3011(b) or 3012(c) of such title; or*

17          *(vi) is a member of the Armed Forces*  
18          *who is not entitled to basic educational as-*  
19          *istance under chapter 30 of title 38, United*  
20          *States Code, by reason of an election under*  
21          *section 3011(c)(1) or 3012(d)(1) of such*  
22          *title; and*

23          *(B) as of the date of the individual's elec-*  
24          *tion under this paragraph, meets the require-*  
25          *ments for entitlement to educational assistance*

1           *under chapter 33 of title 38, United States Code*  
2           *(as so added).*

3           (2) *CESSATION OF CONTRIBUTIONS TOWARD GI*  
4           *BILL.—Effective as of the first month beginning on or*  
5           *after the date of an election under paragraph (1) of*  
6           *an individual described by subparagraph (A)(v) of*  
7           *that paragraph, the obligation of the individual to*  
8           *make contributions under section 3011(b) or 3012(c)*  
9           *of title 38, United States Code, as applicable, shall*  
10           *cease, and the requirements of such section shall be*  
11           *deemed to be no longer applicable to the individual.*

12           (3) *REVOCATION OF REMAINING TRANSFERRED*  
13           *ENTITLEMENT.—*

14           (A) *ELECTION TO REVOKE.—If, on the date*  
15           *an individual described in subparagraph (A)(i)*  
16           *or (A)(iii) of paragraph (1) makes an election*  
17           *under that paragraph, a transfer of the entitle-*  
18           *ment of the individual to basic educational as-*  
19           *sistance under section 3020 of title 38, United*  
20           *States Code, is in effect and a number of months*  
21           *of the entitlement so transferred remain unuti-*  
22           *lized, the individual may elect to revoke all or a*  
23           *portion of the entitlement so transferred that re-*  
24           *mains unutilized.*

1           (B) *AVAILABILITY OF REVOKED ENTITLE-*  
2           *MENT.—Any entitlement revoked by an indi-*  
3           *vidual under this paragraph shall no longer be*  
4           *available to the dependent to whom transferred,*  
5           *but shall be available to the individual instead*  
6           *for educational assistance under chapter 33 of*  
7           *title 38, United States Code (as so added), in ac-*  
8           *cordance with the provisions of this subsection.*

9           (C) *AVAILABILITY OF UNREVOKED ENTITLE-*  
10           *MENT.—Any entitlement described in subpara-*  
11           *graph (A) that is not revoked by an individual*  
12           *in accordance with that subparagraph shall re-*  
13           *main available to the dependent or dependents*  
14           *concerned in accordance with the current trans-*  
15           *fer of such entitlement under section 3020 of title*  
16           *38, United States Code.*

17           (4) *POST-9/11 EDUCATIONAL ASSISTANCE.—*

18           (A) *IN GENERAL.—Subject to subparagraph*  
19           *(B) and except as provided in paragraph (5), an*  
20           *individual making an election under paragraph*  
21           *(1) shall be entitled to educational assistance*  
22           *under chapter 33 of title 38, United States Code*  
23           *(as so added), in accordance with the provisions*  
24           *of such chapter, instead of basic educational as-*  
25           *sistance under chapter 30 of title 38, United*

1           *States Code, or educational assistance under*  
2           *chapter 107, 1606, or 1607 of title 10, United*  
3           *States Code, as applicable.*

4           *(B) LIMITATION ON ENTITLEMENT FOR CER-*  
5           *TAIN INDIVIDUALS.—In the case of an individual*  
6           *making an election under paragraph (1) who is*  
7           *described by subparagraph (A)(i) of that para-*  
8           *graph, the number of months of entitlement of*  
9           *the individual to educational assistance under*  
10           *chapter 33 of title 38, United States Code (as so*  
11           *added), shall be the number of months equal to—*

12                   *(i) the number of months of unused en-*  
13                   *titlement of the individual under chapter 30*  
14                   *of title 38, United States Code, as of the*  
15                   *date of the election, plus*

16                   *(ii) the number of months, if any, of*  
17                   *entitlement revoked by the individual under*  
18                   *paragraph (3)(A).*

19           *(5) CONTINUING ENTITLEMENT TO EDUCATIONAL*  
20           *ASSISTANCE NOT AVAILABLE UNDER 9/11 ASSIST-*  
21           *ANCE PROGRAM.—*

22           *(A) IN GENERAL.—In the event educational*  
23           *assistance to which an individual making an*  
24           *election under paragraph (1) would be entitled*  
25           *under chapter 30 of title 38, United States Code,*

1           or chapter 107, 1606, or 1607 of title 10, United  
2           States Code, as applicable, is not authorized to  
3           be available to the individual under the provi-  
4           sions of chapter 33 of title 38, United States  
5           Code (as so added), the individual shall remain  
6           entitled to such educational assistance in accord-  
7           ance with the provisions of the applicable chap-  
8           ter.

9           (B) CHARGE FOR USE OF ENTITLEMENT.—

10          The utilization by an individual of entitlement  
11          under subparagraph (A) shall be chargeable  
12          against the entitlement of the individual to edu-  
13          cational assistance under chapter 33 of title 38,  
14          United States Code (as so added), at the rate of  
15          one month of entitlement under such chapter 33  
16          for each month of entitlement utilized by the in-  
17          dividual under subparagraph (A) (as determined  
18          as if such entitlement were utilized under the  
19          provisions of chapter 30 of title 38, United  
20          States Code, or chapter 107, 1606, or 1607 of  
21          title 10, United States Code, as applicable).

22          (6) ADDITIONAL POST-9/11 ASSISTANCE FOR  
23          MEMBERS HAVING MADE CONTRIBUTIONS TOWARD  
24          GI BILL.—

1           (A) *ADDITIONAL ASSISTANCE.*—*In the case*  
2 *of an individual making an election under para-*  
3 *graph (1) who is described by clause (i), (iii), or*  
4 *(v) of subparagraph (A) of that paragraph, the*  
5 *amount of educational assistance payable to the*  
6 *individual under chapter 33 of title 38, United*  
7 *States Code (as so added), as a monthly stipend*  
8 *payable under paragraph (1)(B) of section*  
9 *3313(c) of such title, or under paragraphs (2)*  
10 *through (7) of that section (as applicable), shall*  
11 *be the amount otherwise payable as a monthly*  
12 *stipend under the applicable paragraph in-*  
13 *creased by the amount equal to—*

14           (i) *the total amount of contributions*  
15 *toward basic educational assistance made*  
16 *by the individual under section 3011(b) or*  
17 *3012(c) of title 38, United States Code, as*  
18 *of the date of the election, multiplied by*

19           (ii) *the fraction—*

20           (I) *the numerator of which is—*

21           (aa) *the number of months of*  
22 *entitlement to basic educational*  
23 *assistance under chapter 30 of*  
24 *title 38, United States Code, re-*

1                    *maintaining to the individual at the*  
2                    *time of the election; plus*

3                    *(bb) the number of months, if*  
4                    *any, of entitlement under such*  
5                    *chapter 30 revoked by the indi-*  
6                    *vidual under paragraph (3)(A);*  
7                    *and*

8                    *(II) the denominator of which is*  
9                    *36 months.*

10                    *(B) MONTHS OF REMAINING ENTITLEMENT*  
11                    *FOR CERTAIN INDIVIDUALS.—In the case of an*  
12                    *individual covered by subparagraph (A) who is*  
13                    *described by paragraph (1)(A)(v), the number of*  
14                    *months of entitlement to basic educational assist-*  
15                    *ance remaining to the individual for purposes of*  
16                    *subparagraph (A)(ii)(I)(aa) shall be 36 months.*

17                    *(C) TIMING OF PAYMENT.—The amount*  
18                    *payable with respect to an individual under sub-*  
19                    *paragraph (A) shall be paid to the individual to-*  
20                    *gether with the last payment of the monthly sti-*  
21                    *pend payable to the individual under paragraph*  
22                    *(1)(B) of section 3313(c) of title 38, United*  
23                    *States Code (as so added), or under paragraphs*  
24                    *(2) through (7) of that section (as applicable),*  
25                    *before the exhaustion of the individual's entitle-*

1           *ment to educational assistance under chapter 33*  
2           *of such title (as so added).*

3           (7) *CONTINUING ENTITLEMENT TO ADDITIONAL*  
4           *ASSISTANCE FOR CRITICAL SKILLS OR SPECIALITY*  
5           *AND ADDITIONAL SERVICE.*—*An individual making*  
6           *an election under paragraph (1)(A) who, at the time*  
7           *of the election, is entitled to increased educational as-*  
8           *istance under section 3015(d) of title 38, United*  
9           *States Code, or section 16131(i) of title 10, United*  
10           *States Code, or supplemental educational assistance*  
11           *under subchapter III of chapter 30 of title 38, United*  
12           *States Code, shall remain entitled to such increased*  
13           *educational assistance or supplemental educational*  
14           *assistance in the utilization of entitlement to edu-*  
15           *catinal assistance under chapter 33 of title 38,*  
16           *United States Code (as so added), in an amount*  
17           *equal to the quarter, semester, or term, as applicable,*  
18           *equivalent of the monthly amount of such increased*  
19           *educational assistance or supplemental educational*  
20           *assistance payable with respect to the individual at*  
21           *the time of the election.*

22           (8) *IRREVOCABILITY OF ELECTIONS.*—*An elec-*  
23           *tion under paragraph (1) or (3)(A) is irrevocable.*

1       (d) *EFFECTIVE DATE.*—*This section and the amend-*  
2 *ments made by this section shall take effect on August 1,*  
3 *2009.*

4       *INCREASE IN AMOUNTS OF BASIC EDUCATIONAL*  
5       *ASSISTANCE UNDER THE MONTGOMERY GI BILL*  
6       *SEC. 5004. (a) EDUCATIONAL ASSISTANCE BASED ON*  
7 *THREE-YEAR PERIOD OF OBLIGATED SERVICE.*—*Sub-*  
8 *section (a)(1) of section 3015 of title 38, United States Code,*  
9 *is amended—*

10           (1) *by striking subparagraphs (A) through (C)*  
11 *and inserting the following new subparagraph:*

12           “(A) *for months occurring during the period be-*  
13 *ginning on August 1, 2008, and ending on the last*  
14 *day of fiscal year 2009, \$1,321; and*”; *and*

15           (2) *by redesignating subparagraph (D) as sub-*  
16 *paragraph (B).*

17       *(b) EDUCATIONAL ASSISTANCE BASED ON TWO-YEAR*  
18 *PERIOD OF OBLIGATED SERVICE.*—*Subsection (b)(1) of*  
19 *such section is amended—*

20           (1) *by striking subparagraphs (A) through (C)*  
21 *and inserting the following new subparagraph:*

22           “(A) *for months occurring during the period be-*  
23 *ginning on August 1, 2008, and ending on the last*  
24 *day of fiscal year 2009, \$1,073; and*”; *and*

25           (2) *by redesignating subparagraph (D) as sub-*  
26 *paragraph (B).*

1           (c) *MODIFICATION OF MECHANISM FOR COST-OF-LIV-*  
2 *ING ADJUSTMENTS.*—Subsection (h)(1) of such section is  
3 amended by striking subparagraphs (A) and (B) and in-  
4 serting the following new subparagraphs:

5                   “(A) the average cost of undergraduate tui-  
6 tion in the United States, as determined by the  
7 National Center for Education Statistics, for the  
8 last academic year preceding the beginning of  
9 the fiscal year for which the increase is made, ex-  
10 ceeds

11                   “(B) the average cost of undergraduate tui-  
12 tion in the United States, as so determined, for  
13 the academic year preceding the academic year  
14 described in subparagraph (A).”.

15           (d) *EFFECTIVE DATE.*—

16                   (1) *IN GENERAL.*—The amendments made by  
17 this section shall take effect on August 1, 2008.

18                   (2) *NO COST-OF-LIVING ADJUSTMENT FOR FISCAL*  
19 *YEAR 2009.*—The adjustment required by subsection  
20 (h) of section 3015 of title 38, United States Code (as  
21 amended by this section), in rates of basic educational  
22 assistance payable under subsections (a) and (b) of  
23 such section (as so amended) shall not be made for  
24 fiscal year 2009.

1 *MODIFICATION OF AMOUNT AVAILABLE FOR REIMBURSE-*  
 2 *MENT OF STATE AND LOCAL AGENCIES ADMIN-*  
 3 *ISTERING VETERANS EDUCATION BENEFITS*

4 *SEC. 5005. Section 3674(a)(4) of title 38, United*  
 5 *States Code, is amended by striking “may not exceed” and*  
 6 *all that follows through the end and inserting “shall be*  
 7 *\$19,000,000.”.*

8 *AUTHORITY TO TRANSFER UNUSED EDUCATION BENEFITS*  
 9 *TO FAMILY MEMBERS FOR CAREER SERVICE MEMBERS*

10 *SEC. 5006. (a) AUTHORITY TO TRANSFER MONT-*  
 11 *GOMERY GI BILL BENEFITS TO A DEPENDENT.—Section*  
 12 *3020 of title 38, United States Code, is amended—*

13 *(1) by striking the section heading and sub-*  
 14 *sections (a) and (b) and inserting the following:*

15 **“§ 3020. Authority to transfer unused education bene-**  
 16 **fits to family members for career service**  
 17 **members**

18 *“(a) IN GENERAL.—Subject to the provisions of this*  
 19 *section, the Secretary of Defense may authorize the Sec-*  
 20 *retary concerned, to promote recruitment and retention of*  
 21 *members of the Armed Forces, to permit an individual de-*  
 22 *scribed in subsection (b) who is entitled to basic educational*  
 23 *assistance under this subchapter to elect to transfer to one*  
 24 *or more of the dependents specified in subsection (c) the un-*  
 25 *used portion of entitlement to such assistance, subject to the*  
 26 *limitation under subsection (d).*

1       “(b) *ELIGIBLE INDIVIDUALS.*—*An individual referred*  
2 *to in subsection (a) is any member of the Armed Forces—*

3               “(1) *who, while serving on active duty or as a*  
4 *member of the Selected Reserve at the time of the ap-*  
5 *proval by the Secretary concerned of the member’s re-*  
6 *quest to transfer entitlement to basic educational as-*  
7 *sistance under this section, has completed six years of*  
8 *service in the Armed Forces and enters into an agree-*  
9 *ment to serve at least four more years as a member*  
10 *of the Armed Forces; or*

11               “(2) *as determined in regulations pursuant to*  
12 *subsection (k).”;*

13               “(2) *by striking subsection (d) and inserting the*  
14 *following:*

15               “(d) *LIMITATION ON MONTHS OF TRANSFER.*—(1) *An*  
16 *individual approved to transfer an entitlement to basic edu-*  
17 *cational assistance under this section may transfer any un-*  
18 *used entitlement to one or more of the dependents specified*  
19 *in subsection (c).*

20               “(2) *The total number of months of entitlement trans-*  
21 *ferred by an individual under this section may not exceed*  
22 *36 months. The Secretary of Defense may prescribe regula-*  
23 *tions that would limit the months of entitlement that may*  
24 *be transferred under this section to no less than 18*  
25 *months.”;*

1           (3) in subsection (f)(1) by striking “without re-  
2           gard to whether” and inserting “only while”; and

3           (4) in subsection (f)(2) by inserting “as long as  
4           the individual is serving on active duty or as a mem-  
5           ber of the Selected Reserve” after “so transferred”;

6           (5) by adding at the end of subsection (f) the fol-  
7           lowing:

8           “(3) Entitlement transferred under this section may  
9           not be treated as marital property, or the asset of a marital  
10          estate, subject to division in a divorce or other civil pro-  
11          ceeding.”;

12          (6) in subsection (h)(5) by inserting “may use  
13          the benefit without regard to the 10-year delimiting  
14          date, but” after “under this section”; and

15          (7) by striking subsection (k) and inserting the  
16          following:

17          “(k) REGULATIONS.—The Secretary of Defense, in co-  
18          ordination with the Secretary of Veterans Affairs, shall pre-  
19          scribe regulations for purposes of this section. Such regula-  
20          tions shall specify—

21                 “(1) the manner of authorizing the military de-  
22                 partments to offer transfer of entitlements under this  
23                 section;

24                 “(2) the eligibility criteria in accordance with  
25                 subsection (b);

1           “(3) the limitations on the amount of entitlement  
2           eligible to be transferred; and

3           “(4) the manner and effect of an election to mod-  
4           ify or revoke a transfer of entitlement under sub-  
5           section (f)(2).”.

6           (b) *AUTHORITY TO TRANSFER MONTGOMERY GI BILL*  
7 *FOR THE SELECTED RESERVE BENEFITS TO A DEPEND-*  
8 *ENT.—Chapter 1606 of title 10, United States Code, is*  
9 *amended by inserting after section 16132 the following:*

10 **“§ 16132a. Authority to transfer unused education**  
11 **benefits to family members**

12           “(a) *IN GENERAL.—Subject to regulation prescribed*  
13 *by the Secretary of Defense, the Secretary concerned may*  
14 *permit a member described in subsection (b) who is entitled*  
15 *to basic educational assistance under this chapter to elect*  
16 *to transfer to one or more of the dependents specified in*  
17 *subsection (c) a portion of such member’s entitlement to*  
18 *such assistance, subject to the limitation under subsection*  
19 *(d).*

20           “(b) *ELIGIBLE MEMBERS.—A member referred to in*  
21 *subsection (a) is a member of the Selected Reserve of the*  
22 *Ready Reserve who, at the time of the approval of the mem-*  
23 *ber’s request to transfer entitlement to basic educational as-*  
24 *stance under this section, has completed—*

1           “(1) at least six years of service in the Selected  
2       *Reserve and enters into an agreement to service at*  
3       *least four more years as a member of the armed*  
4       *forces; or*

5           “(2) the years of service as determined in regula-  
6       *tions pursuant to subsection (j).*

7       “(c) *ELIGIBLE DEPENDENTS.*—A member approved to  
8       *transfer an entitlement to basic educational assistance*  
9       *under this section may transfer the member’s entitlement*  
10      *as follows:*

11           “(1) *To the member’s spouse.*

12           “(2) *To one or more of the member’s children.*

13           “(3) *To a combination of the individuals referred*  
14      *to in paragraphs (1) and (2).*

15       “(d) *LIMITATION ON MONTHS OF TRANSFER.*—The  
16      *total number of months of entitlement transferred by a*  
17      *member under this section may not exceed 36 months. The*  
18      *Secretary of Defense may prescribe regulations that would*  
19      *limit the months of entitlement that may be transferred*  
20      *under this section to no less than 18 months.*

21       “(e) *DESIGNATION OF TRANSFEREE.*—A member  
22      *transferring an entitlement to basic educational assistance*  
23      *under this section shall—*

24           “(1) *designate the dependent or dependents to*  
25      *whom such entitlement is being transferred;*

1           “(2) designate the number of months of such en-  
2           titlement to be transferred to each such dependent;  
3           and

4           “(3) specify the period for which the transfer  
5           shall be effective for each dependent designated under  
6           paragraph (1).

7           “(f) *TIME FOR TRANSFER; REVOCATION AND MODI-*  
8           *FICATION.*—(1) Subject to the time limitation for use of en-  
9           titlement under section 16133, a member approved to trans-  
10          fer entitlement to basic educational assistance under this  
11          section may transfer such entitlement at any time after the  
12          approval of the member’s request to transfer such entitle-  
13          ment.

14          “(2) A member transferring entitlement under this sec-  
15          tion may modify or revoke at any time the transfer of any  
16          unused portion of the entitlement so transferred. The modi-  
17          fication or revocation of the transfer of entitlement under  
18          this paragraph shall be made by the submittal of written  
19          notice of the action to both the Secretary concerned and the  
20          Secretary of Veterans Affairs.

21          “(3) Entitlement transferred under this section may  
22          not be treated as marital property, or the asset of a marital  
23          estate, subject to division in a divorce or other civil pro-  
24          ceeding.

1       “(g) *COMMENCEMENT OF USE.*—A dependent to whom  
2 *entitlement to basic educational assistance is transferred*  
3 *under this section may not commence the use of the trans-*  
4 *ferred entitlement until—*

5               “(1) *in the case of entitlement transferred to a*  
6 *spouse, the completion by the member making the*  
7 *transfer of at least—*

8                       “(A) *six years of service in the armed forces;*  
9                       *or*

10                      “(B) *the years of service as determined in*  
11 *regulations pursuant to subsection (j); or*

12               “(2) *in the case of entitlement transferred to a*  
13 *child, both—*

14                      “(A) *the completion by the member making*  
15 *the transfer of at least—*

16                               “(i) *ten years of service in the armed*  
17 *forces; or*

18                              “(ii) *the years of service as determined*  
19 *in regulations pursuant to subsection (j);*  
20 *and*

21                      “(B) *either—*

22                               “(i) *the completion by the child of the*  
23 *requirements of a secondary school diploma*  
24 *(or equivalency certificate); or*

1                   “(ii) the attainment by the child of 18  
2                   years of age.

3           “(h) *ADDITIONAL ADMINISTRATIVE MATTERS.—(1)*  
4 *The use of any entitlement to basic educational assistance*  
5 *transferred under this section shall be charged against the*  
6 *entitlement of the member making the transfer at the rate*  
7 *of one month for each month of transferred entitlement that*  
8 *is used.*

9           “(2) *Except as provided under subsection (e)(2) and*  
10 *subject to paragraphs (5) and (6), a dependent to whom*  
11 *entitlement is transferred under this section is entitled to*  
12 *basic educational assistance under this chapter in the same*  
13 *manner as the member from whom the entitlement was*  
14 *transferred.*

15           “(3) *The monthly rate of educational assistance pay-*  
16 *able to a dependent to whom entitlement is transferred*  
17 *under this section shall be the monthly amount payable*  
18 *under sections 16131 and 16131a to the member making*  
19 *the transfer.*

20           “(4) *The death of a member transferring an entitle-*  
21 *ment under this section shall not affect the use of the entitle-*  
22 *ment by the dependent to whom the entitlement is trans-*  
23 *ferred.*

24           “(5) *The involuntary separation or retirement of the*  
25 *member—*

1           “(A) because of a nondiscretionary provision of  
2           law for age or years of service;

3           “(B) because of a policy prescribed by the Sec-  
4           retary concerned mandating such separation or re-  
5           tirement based solely on age or years of service for the  
6           prescribed pay grade of an enlisted member;

7           “(C) under section 16133(b); or

8           “(D) because of medical disqualification which is  
9           not the result of gross negligence or misconduct of the  
10          member,

11         shall not affect the use of entitlement by the dependent to  
12         whom the entitlement is transferred.

13         “(6) A child to whom entitlement is transferred under  
14         this section may not use any entitlement so transferred after  
15         attaining the age of 26 years.

16         “(7) The administrative provisions of this chapter  
17         shall apply to the use of entitlement transferred under this  
18         section, except that the dependent to whom the entitlement  
19         is transferred shall be treated as the eligible member for  
20         purposes of such provisions.

21         “(8) The purposes for which a dependent to whom enti-  
22         tlement is transferred under this section may use such enti-  
23         tlement shall include the pursuit and completion of the re-  
24         quirements of a secondary school diploma (or equivalency  
25         certificate).

1           “(i) *OVERPAYMENT.*—(1) *In the event of an overpay-*  
2 *ment of basic educational assistance with respect to a de-*  
3 *pendent to whom entitlement is transferred under this sec-*  
4 *tion, the dependent and the member making the transfer*  
5 *shall be jointly and severally liable to the United States*  
6 *for the amount of the overpayment for purposes of section*  
7 *3685 of title 38.*

8           “(2) *Except as provided in paragraph (3), if a mem-*  
9 *ber’s whose eligibility is terminated under section 16134(2),*  
10 *the amount of any transferred entitlement under this sec-*  
11 *tion that is used by a dependent of the member as of the*  
12 *date of such termination shall be treated as an overpayment*  
13 *of basic educational assistance under paragraph (1).*

14           “(3) *Paragraph (2) shall not apply in the case of a*  
15 *member who fails to complete service agreed to by the mem-*  
16 *ber—*

17                   “(A) *by reason of the death of the member; or*

18                   “(B) *for a reason referred to in section 16133(b).*

19           “(j) *REGULATIONS.*—*The Secretary of Defense, in con-*  
20 *sultation with the Secretary of Veterans Affairs, shall pre-*  
21 *scribe regulations for purposes of this section. Such regula-*  
22 *tions shall specify—*

23                   “(1) *the manner of authorizing the military de-*  
24 *partments to offer transfer of entitlements under this*  
25 *section;*



1 *time of the approval of the member's request to transfer en-*  
2 *titlement to basic educational assistance under this section,*  
3 *has completed at least—*

4           “(1) *six years of service in the armed forces and*  
5 *enters into an agreement to serve at least four more*  
6 *years as a member of the armed forces; or*

7           “(2) *the years of service as determined in regula-*  
8 *tions pursuant to section (j).*

9           “(c) *ELIGIBLE DEPENDENTS.—A member approved to*  
10 *transfer an entitlement to basic educational assistance*  
11 *under this section may transfer the member's entitlement*  
12 *as follows:*

13           “(1) *To the member's spouse.*

14           “(2) *To one or more of the member's children.*

15           “(3) *To a combination of the individuals referred*  
16 *to in paragraphs (1) and (2).*

17           “(d) *LIMITATION ON MONTHS OF TRANSFER.—The*  
18 *total number of months of entitlement transferred by a*  
19 *member under this section may not exceed 36 months. The*  
20 *Secretary of Defense may prescribe regulations that would*  
21 *limit the months of entitlement that may be transferred*  
22 *under this section to no less than 18 months.*

23           “(e) *DESIGNATION OF TRANSFEREE.—A member*  
24 *transferring an entitlement to basic educational assistance*  
25 *under this section shall—*

1           “(1) designate the dependent or dependents to  
2           whom such entitlement is being transferred;

3           “(2) designate the number of months of such en-  
4           titlement to be transferred to each such dependent;  
5           and

6           “(3) specify the period for which the transfer  
7           shall be effective for each dependent designated under  
8           paragraph (1).

9           “(f) *TIME FOR TRANSFER; REVOCATION AND MODI-*  
10 *FICATION.—(1) Subject to the time limitation for use of en-*  
11 *titlement under section 16164, a member approved to trans-*  
12 *fer entitlement to basic educational assistance under this*  
13 *section may transfer such entitlement only while serving*  
14 *as a member of the armed forces when the transfer is exe-*  
15 *cuted.*

16           “(2) *A member transferring entitlement under this sec-*  
17 *tion may modify or revoke at any time the transfer of any*  
18 *unused portion of the entitlement so transferred. The modi-*  
19 *fication or revocation of the transfer of entitlement under*  
20 *this paragraph shall be made by the submittal of written*  
21 *notice of the action to both the Secretary concerned and the*  
22 *Secretary of Veterans Affairs.*

23           “(3) *Entitlement transferred under this section may*  
24 *not be treated as marital property, or the asset of a marital*

1 *estate, subject to division in a divorce or other civil pro-*  
2 *ceeding.*

3       “(g) *COMMENCEMENT OF USE.*—*A dependent to whom*  
4 *entitlement to basic educational assistance is transferred*  
5 *under this section may not commence the use of the trans-*  
6 *ferred entitlement until—*

7               “(1) *in the case of entitlement transferred to a*  
8 *spouse, the completion by the member making the*  
9 *transfer of at least—*

10                       “(A) *six years of service in the armed forces;*

11                       *or*

12                       “(B) *the years of service as determined in*  
13 *regulations pursuant to subsection (j); or*

14               “(2) *in the case of entitlement transferred to a*  
15 *child, both—*

16                       “(A) *the completion by the member making*  
17 *the transfer of at least—*

18                               “(i) *ten years of service in the armed*  
19 *forces; or*

20                               “(ii) *the years of service as determined*  
21 *in regulations pursuant to subsection (j);*

22                               *and*

23                               “(B) *either—*

1                   “(i) the completion by the child of the  
2                   requirements of a secondary school diploma  
3                   (or equivalency certificate); or

4                   “(ii) the attainment by the child of 18  
5                   years of age.

6           “(h) *ADDITIONAL ADMINISTRATIVE MATTERS.—(1)*  
7 *The use of any entitlement to basic educational assistance*  
8 *transferred under this section shall be charged against the*  
9 *entitlement of the member making the transfer at the rate*  
10 *of one month for each month of transferred entitlement that*  
11 *is used.*

12           “(2) *Except as provided under subsection (e)(2) and*  
13 *subject to paragraphs (5) and (6), a dependent to whom*  
14 *entitlement is transferred under this section is entitled to*  
15 *basic educational assistance under this chapter in the same*  
16 *manner as the member from whom the entitlement was*  
17 *transferred.*

18           “(3) *The monthly rate of educational assistance pay-*  
19 *able to a dependent to whom entitlement is transferred*  
20 *under this section shall be the monthly amount payable*  
21 *under sections 16162 and 16162a to the member making*  
22 *the transfer.*

23           “(4) *The death of a member transferring an entitle-*  
24 *ment under this section shall not affect the use of the entitle-*

1 *ment by the dependent to whom the entitlement is trans-*  
2 *ferred.*

3       “(5) *Notwithstanding section 16164(a)(2), a child to*  
4 *whom entitlement is transferred under this section may use*  
5 *the benefit without regard to the 10-year delimiting date,*  
6 *but may not use any entitlement so transferred after attain-*  
7 *ing the age of 26 years.*

8       “(6) *The administrative provisions of this chapter*  
9 *shall apply to the use of entitlement transferred under this*  
10 *section, except that the dependent to whom the entitlement*  
11 *is transferred shall be treated as the eligible member for*  
12 *purposes of such provisions.*

13       “(7) *The purposes for which a dependent to whom enti-*  
14 *tlement is transferred under this section may use such enti-*  
15 *tlement shall include the pursuit and completion of the re-*  
16 *quirements of a secondary school diploma (or equivalency*  
17 *certificate).*

18       “(i) *OVERPAYMENT.—*

19               “(1) *JOINT AND SEVERAL LIABILITY.—In the*  
20 *event of an overpayment of basic educational assist-*  
21 *ance with respect to a dependent to whom entitlement*  
22 *is transferred under this section, the dependent and*  
23 *the member making the transfer shall be jointly and*  
24 *severally liable to the United States for the amount*

1       of the overpayment for purposes of section 3685 of  
2       title 38.

3               “(2) *FAILURE TO COMPLETE SERVICE AGREE-*  
4       *MENT.—Except as provided in paragraph (3), if an*  
5       *individual transferring entitlement under this section*  
6       *fails to complete the service agreed to by the indi-*  
7       *vidual under subsection (b)(1) in accordance with the*  
8       *terms of the agreement of the individual under that*  
9       *subsection, the amount of any transferred entitlement*  
10       *under this section that is used by a dependent of the*  
11       *individual as of the date of such failure shall be treat-*  
12       *ed as an overpayment of educational assistance under*  
13       *paragraph (1).*

14               “(3) *Paragraph (2) shall not apply in the case*  
15       *of an individual who fails to complete service agreed*  
16       *to by the individual—*

17                       “(A) *by reason of the death of the indi-*  
18       *vidual; or*

19                       “(B) *for a reason referred to in section*  
20       *16133(b).*

21               “(j) *REGULATIONS.—(1) The Secretary of Defense, in*  
22       *coordination with the Secretary of Veterans Affairs, shall*  
23       *prescribe regulations for purposes of this section.*

24               “(2) *Such regulations shall specify—*

1           “(A) *the manner of authorizing the transfer of*  
2           *entitlements under this section;*

3           “(B) *the eligibility criteria in accordance with*  
4           *subsection (b); and*

5           “(C) *the manner and effect of an election to*  
6           *modify or revoke a transfer of entitlement under sub-*  
7           *section (f)(2).*

8           “(k) *SECRETARY CONCERNED DEFINED.—For pur-*  
9           *poses of this section, the term ‘Secretary concerned’ has the*  
10           *meaning given in section 101(a)(9) in the case of a member*  
11           *of the armed forces.”.*

12           (d) *CONFORMING AMENDMENTS.—Section 16133(a) of*  
13           *title 10, United States Code, is amended by striking “(1)”*  
14           *and all that follows through the period at the end of the*  
15           *subsection and inserting “on the date the person is sepa-*  
16           *rated from the Selected Reserve.”.*

17           (e) *CLERICAL AMENDMENTS.—(1) The table of sections*  
18           *at the beginning of chapter 30 of title 38, United States*  
19           *Code, is amended by striking the item relating to section*  
20           *3020 and inserting the following new item:*

*“3020. Authority to transfer unused education benefits to family members of ca-*  
*reer service members.”.*

21           (2) *The table of sections at the beginning of chapter*  
22           *1606 of title 10, United States Code, is amended by insert-*

1 *ing after the item relating to section 16132 the following*  
 2 *new item:*

*“16132a. Authority to transfer unused education benefits to family members.”.*

3 *(3) The table of sections at the beginning of chapter*  
 4 *1607 of such title is amended by inserting after the item*  
 5 *relating to section 16163 the following new item:*

*“16163a. Authority to transfer unused education benefits to family members.”.*

6 *TITLE VI—ACCOUNTABILITY AND*  
 7 *TRANSPARENCY IN GOVERNMENT CONTRACTING*  
 8 *CHAPTER 1—CLOSE THE CONTRACTOR FRAUD*  
 9 *LOOPHOLE*  
 10 *SHORT TITLE*

11 *SEC. 6101. This chapter may be cited as the “Close*  
 12 *the Contractor Fraud Loophole Act”.*

13 *REVISION OF THE FEDERAL ACQUISITION REGULATION*

14 *SEC. 6102. The Federal Acquisition Regulation shall*  
 15 *be amended within 180 days after the date of the enactment*  
 16 *of this Act pursuant to FAR Case 2007–006 (as published*  
 17 *at 72 Fed Reg. 64019, November 14, 2007) or any follow-*  
 18 *on FAR case to include provisions that require timely noti-*  
 19 *fication by Federal contractors of violations of Federal*  
 20 *criminal law or overpayments in connection with the*  
 21 *award or performance of covered contracts or subcontracts,*  
 22 *including those performed outside the United States and*  
 23 *those for commercial items.*



1                   “(I) 80 percent or more of its an-  
2                   nual gross revenues in Federal awards;  
3                   and

4                   “(II) \$25,000,000 or more in an-  
5                   nual gross revenues from Federal  
6                   awards; and

7                   “(ii) the public does not have access to  
8                   information about the compensation of the  
9                   senior executives of the entity through peri-  
10                  odic reports filed under section 13(a) or  
11                  15(d) of the Securities Exchange Act of  
12                  1934 (15 U.S.C. 78m(a), 78o(d)) or section  
13                  6104 of the Internal Revenue Code of  
14                  1986.”.

15                  (b) *REGULATIONS REQUIRED.*—*The Director of the Of-*  
16                  *fice of Management and Budget shall promulgate regula-*  
17                  *tions to implement the amendment made by this chapter.*  
18                  *Such regulations shall include a definition of “total com-*  
19                  *ensation” that is consistent with regulations of the Securi-*  
20                  *ties and Exchange Commission at section 402 of part 229*  
21                  *of title 17 of the Code of Federal Regulations (or any subse-*  
22                  *quent regulation).*

23                                   *TITLE VII—MEDICAID PROVISIONS*

24                   *SEC. 7001. (a) MORATORIA ON CERTAIN MEDICAID*  
25                   *REGULATIONS.—*

1           (1) *EXTENSION OF CERTAIN MORATORIA IN PUB-*  
2           *LIC LAW 110–28.—Section 7002(a)(1) of the U.S.*  
3           *Troop Readiness, Veterans’ Care, Katrina Recovery,*  
4           *and Iraq Accountability Appropriations Act, 2007*  
5           *(Public Law 110–28) is amended—*

6                   (A) *by striking “prior to the date that is 1*  
7                   *year after the date of enactment of this Act” and*  
8                   *inserting “prior to April 1, 2009”;*

9                   (B) *in subparagraph (A), by inserting after*  
10                  *“Federal Regulations)” the following: “or in the*  
11                  *final regulation, relating to such parts, published*  
12                  *on May 29, 2007 (72 Federal Register 29748)*  
13                  *and determined by the United States District*  
14                  *Court for the District of Columbia to have been*  
15                  *‘improperly promulgated’, Alameda County Med-*  
16                  *ical Center, et al., v. Leavitt, et al., Civil Action*  
17                  *No. 08-0422, Mem. at 4 (D.D.C. May 23, 2008)”;*  
18                  *and*

19                  (C) *in subparagraph (C), by inserting be-*  
20                  *fore the period at the end the following: “, in-*  
21                  *cluding the proposed regulation published on*  
22                  *May 23, 2007 (72 Federal Register 28930)”.*

23           (2) *EXTENSION OF CERTAIN MORATORIA IN PUB-*  
24           *LIC LAW 110–173.—Section 206 of the Medicare, Med-*

1        *icaid, and SCHIP Extension Act of 2007 (Public*  
2        *Law 110–173) is amended—*

3                *(A) by striking “June 30, 2008” and insert-*  
4                *ing “April 1, 2009”;*

5                *(B) by inserting “, including the proposed*  
6                *regulation published on August 13, 2007 (72*  
7                *Federal Register 45201),” after “rehabilitation*  
8                *services”; and*

9                *(C) by inserting “, including the final regu-*  
10                *lation published on December 28, 2007 (72 Fed-*  
11                *eral Register 73635),” after “school-based trans-*  
12                *portation”.*

13        *(3) ADDITIONAL MORATORIA.—*

14                *(A) IN GENERAL.—Notwithstanding any*  
15                *other provision of law, the Secretary of Health*  
16                *and Human Services shall not, prior to April 1,*  
17                *2009, take any action (through promulgation of*  
18                *regulation, issuance of regulatory guidance, use*  
19                *of Federal payment audit procedures, or other*  
20                *administrative action, policy, or practice, in-*  
21                *cluding a Medical Assistance Manual trans-*  
22                *mittal or letter to State Medicaid directors) to*  
23                *impose any restrictions relating to a provision*  
24                *described in subparagraph (B) or (C) if such re-*  
25                *strictions are more restrictive in any aspect than*

1           *those applied to the respective provision as of the*  
2           *date specified in subparagraph (D) for such pro-*  
3           *vision.*

4           *(B) PORTION OF INTERIM FINAL REGULA-*  
5           *TION RELATING TO MEDICAID TREATMENT OF OP-*  
6           *TIONAL CASE MANAGEMENT SERVICES.—*

7                   *(i) IN GENERAL.—Subject to clause*  
8                   *(ii), the provision described in this subpara-*  
9                   *graph is the interim final regulation relat-*  
10                   *ing to optional State plan case management*  
11                   *services under the Medicaid program pub-*  
12                   *lished on December 4, 2007 (72 Federal*  
13                   *Register 68077) in its entirety.*

14                   *(ii) EXCEPTION.—The provision de-*  
15                   *scribed in this subparagraph does not in-*  
16                   *clude the portion of such regulation as re-*  
17                   *lates directly to implementing section*  
18                   *1915(g)(2)(A)(ii) of the Social Security Act,*  
19                   *as amended by section 6052 of the Deficit*  
20                   *Reduction Act of 2005 (Public Law 109–*  
21                   *171), through the definition of case manage-*  
22                   *ment services and targeted case manage-*  
23                   *ment services contained in proposed section*  
24                   *440.169 of title 42, Code of Federal Regula-*  
25                   *tions, but only to the extent that such por-*

1            *tion is not more restrictive than the policies*  
2            *set forth in the Dear State Medicaid Direc-*  
3            *tor letter on case management issued on*  
4            *January 19, 2001 (SMDL #01–013), and*  
5            *with respect to community transition case*  
6            *management, the Dear State Medicaid Di-*  
7            *rector letter issued on July 25, 2000*  
8            *(Olmstead Update 3).*

9            *(C) PORTION OF PROPOSED REGULATION*  
10           *RELATING TO MEDICAID ALLOWABLE PROVIDER*  
11           *TAXES.—*

12            *(i) IN GENERAL.—Subject to clause*  
13            *(ii), the provision described in this subpara-*  
14            *graph is the final regulation relating to*  
15            *health-care-related taxes under the Medicaid*  
16            *program published on February 22, 2008*  
17            *(73 Federal Register 9685) in its entirety.*

18            *(ii) EXCEPTION.—The provision de-*  
19            *scribed in this subparagraph does not in-*  
20            *clude the portions of such regulation as re-*  
21            *late to the following:*

22            *(I) REDUCTION IN THRESHOLD.—*

23            *The reduction from 6 percent to 5.5*  
24            *percent in the threshold applied under*  
25            *section 433.68(f)(3)(i) of title 42, Code*

1           *of Federal Regulations, for determining*  
2           *whether or not there is an indirect*  
3           *guarantee to hold a taxpayer harmless,*  
4           *as required to carry out section*  
5           *1903(w)(4)(C)(ii) of the Social Secu-*  
6           *urity Act, as added by section 403 of the*  
7           *Medicare Improvement and Extension*  
8           *Act of 2006 (division B of Public Law*  
9           *109–432).*

10           *(II) CHANGE IN DEFINITION OF*  
11           *MANAGED CARE.—The change in the*  
12           *definition of managed care as proposed*  
13           *in the revision of section 433.56(a)(8)*  
14           *of title 42, Code of Federal Regula-*  
15           *tions, as required to carry out section*  
16           *1903(w)(7)(A)(viii) of the Social Secu-*  
17           *urity Act, as amended by section 6051*  
18           *of the Deficit Reduction Act of 2005*  
19           *(Public Law 109–171).*

20           *(D) DATE SPECIFIED.—The date specified*  
21           *in this subparagraph for the provision described*  
22           *in—*

23                   *(i) subparagraph (B) is December 3,*  
24                   *2007; or*

1                   (ii) subparagraph (C) is February 21,  
2                   2008.

3           (b) *FUNDS TO REDUCE MEDICAID FRAUD AND*  
4 *ABUSE.—*

5                   (1) *IN GENERAL.—For purposes of reducing*  
6 *fraud and abuse in the Medicaid program under title*  
7 *XIX of the Social Security Act—*

8                           (A) *there is appropriated to the Office of the*  
9 *Inspector General of the Department of Health*  
10 *and Human Services, out of any money in the*  
11 *Treasury not otherwise appropriated,*  
12 *\$25,000,000, for fiscal year 2009; and*

13                           (B) *there is authorized to be appropriated*  
14 *to such Office \$25,000,000 for fiscal year 2010*  
15 *and each subsequent fiscal year.*

16 *Amounts appropriated under this section shall re-*  
17 *main available for expenditure until expended and*  
18 *shall be in addition to any other amounts appro-*  
19 *priated or made available to such Office for such pur-*  
20 *poses with respect to the Medicaid program.*

21                   (2) *ANNUAL REPORT.—Not later than September*  
22 *30 of 2009 and of each subsequent year, the Inspector*  
23 *General of the Department of Health and Human*  
24 *Services shall submit to the Committees on Energy*  
25 *and Commerce and Appropriations of the House of*

1 *Representatives and the Committees on Finance and*  
2 *Appropriations of the Senate a report on the activi-*  
3 *ties (and the results of such activities) funded under*  
4 *paragraph (1) to reduce waste, fraud, and abuse in*  
5 *the Medicaid program under title XIX of the Social*  
6 *Security Act during the previous 12 month period,*  
7 *including the amount of funds appropriated under*  
8 *such paragraph for each such activity and an esti-*  
9 *mate of the savings to the Medicaid program resulting*  
10 *from each such activity.*

11 *(c) STUDY AND REPORTS TO CONGRESS.—*

12 *(1) SECRETARIAL REPORT IDENTIFYING PROB-*  
13 *LEMS.—Not later than January 1, 2009, the Sec-*  
14 *retary of Health and Human Services shall submit to*  
15 *the Committee on Energy and Commerce of the House*  
16 *of Representatives and the Committee on Finance of*  
17 *the Senate a report that—*

18 *(A) outlines the specific problems the Med-*  
19 *icaid regulations referred to in the amendments*  
20 *made by paragraphs (1) and (2) of subsection*  
21 *(a) were intended to address;*

22 *(B) details how these regulations were de-*  
23 *signed to address these specific problems; and*

24 *(C) cites the legal authority for such regula-*  
25 *tions.*

1           (2) *INDEPENDENT COMPREHENSIVE STUDY AND*  
2           *REPORT.*—

3                   (A) *IN GENERAL.*—*Not later than January*  
4                   *1, 2009, the Secretary of Health and Human*  
5                   *Services shall enter into a contract with an inde-*  
6                   *pendent organization for the purpose of—*

7                           (i) *producing a comprehensive report*  
8                           *on the prevalence of the problems outlined*  
9                           *in the report submitted under paragraph*  
10                           *(1);*

11                           (ii) *identifying strategies in existence*  
12                           *to address these problems; and*

13                           (iii) *assessing the impact of each regu-*  
14                           *lation referred to in such paragraph on*  
15                           *each State and the District of Columbia.*

16                   (B) *ADDITIONAL MATTER.*—*The report*  
17                   *under subparagraph (A) shall also include—*

18                           (i) *an identification of which claims*  
19                           *for items and services (including adminis-*  
20                           *trative activities) under title XIX of the So-*  
21                           *cial Security Act are not processed through*  
22                           *systems described in section 1903(r) of such*  
23                           *Act;*

1           (ii) an examination of the reasons why  
2           these claims for such items and services are  
3           not processed through such systems; and

4           (iii) recommendations on actions by  
5           the Federal government and the States that  
6           can make claims for such items and services  
7           more accurate and complete consistent with  
8           such title.

9           (C) *DEADLINE.*—The report under subpara-  
10          graph (A) shall be submitted to the Committee  
11          on Energy and Commerce of the House of Rep-  
12          resentatives and the Committee on Finance of the  
13          Senate not later than September 1, 2009.

14          (D) *COOPERATION OF STATES.*—If the Sec-  
15          retary of Health and Human Services deter-  
16          mines that a State or the District of Columbia  
17          has not cooperated with the independent organi-  
18          zation for purposes of the report under this para-  
19          graph, the Secretary shall reduce the amount  
20          paid to the State or District under section  
21          1903(a) of the Social Security Act (42 U.S.C.  
22          1396b(a)) by \$25,000 for each day on which the  
23          Secretary determines such State or District has  
24          not so cooperated. Such reduction shall be made

1 through a process that permits the State or Dis-  
 2 trict to challenge the Secretary's determination.

3 (3) *FUNDING.*—

4 (A) *IN GENERAL.*—Out of any money in the  
 5 Treasury of the United States not otherwise ap-  
 6 propriated, there are appropriated to the Sec-  
 7 retary without further appropriation, \$5,000,000  
 8 to carry out this subsection.

9 (B) *AVAILABILITY; AMOUNTS IN ADDITION*  
 10 *TO OTHER AMOUNTS APPROPRIATED FOR SUCH*  
 11 *ACTIVITIES.*—Amounts appropriated pursuant to  
 12 subparagraph (A) shall—

13 (i) remain available until expended;

14 and

15 (ii) be in addition to any other  
 16 amounts appropriated or made available to  
 17 the Secretary of Health and Human Serv-  
 18 ices with respect to the Medicaid program.

19 (d) *ASSET VERIFICATION THROUGH ACCESS TO IN-*  
 20 *FORMATION HELD BY FINANCIAL INSTITUTIONS.*—

21 (1) *ADDITION OF AUTHORITY.*—Title XIX of the  
 22 Social Security Act is amended by inserting after sec-  
 23 tion 1939 the following new section:

24 “*ASSET VERIFICATION THROUGH ACCESS TO INFORMATION*  
 25 *HELD BY FINANCIAL INSTITUTIONS*

26 “*SEC. 1940. (a) IMPLEMENTATION.*—

1           “(1) *IN GENERAL.*—Subject to the provisions of  
2           this section, each State shall implement an asset  
3           verification program described in subsection (b), for  
4           purposes of determining or redetermining the eligi-  
5           bility of an individual for medical assistance under  
6           the State plan under this title.

7           “(2) *PLAN SUBMITTAL.*—In order to meet the re-  
8           quirement of paragraph (1), each State shall—

9                   “(A) submit not later than a deadline speci-  
10                   fied by the Secretary consistent with paragraph  
11                   (3), a State plan amendment under this title  
12                   that describes how the State intends to imple-  
13                   ment the asset verification program; and

14                   “(B) provide for implementation of such  
15                   program for eligibility determinations and rede-  
16                   terminations made on or after 6 months after the  
17                   deadline established for submittal of such plan  
18                   amendment.

19           “(3) *PHASE-IN.*—

20                   “(A) *IN GENERAL.*—

21                           “(i) *IMPLEMENTATION IN CURRENT*  
22                           *ASSET VERIFICATION DEMO STATES.*—The  
23                           Secretary shall require those States specified  
24                           in subparagraph (C) (to which an asset  
25                           verification program has been applied be-

1           *fore the date of the enactment of this sec-*  
2           *tion) to implement an asset verification*  
3           *program under this subsection by the end of*  
4           *fiscal year 2009.*

5           “(ii) *IMPLEMENTATION IN OTHER*  
6           *STATES.—The Secretary shall require other*  
7           *States to submit and implement an asset*  
8           *verification program under this subsection*  
9           *in such manner as is designed to result in*  
10           *the application of such programs, in the ag-*  
11           *gregate for all such other States, to enroll-*  
12           *ment of approximately, but not less than,*  
13           *the following percentage of enrollees, in the*  
14           *aggregate for all such other States, by the*  
15           *end of the fiscal year involved:*

16                   “(I) *12.5 percent by the end of fis-*  
17                   *cal year 2009.*

18                   “(II) *25 percent by the end of fis-*  
19                   *cal year 2010.*

20                   “(III) *50 percent by the end of fis-*  
21                   *cal year 2011.*

22                   “(IV) *75 percent by the end of fis-*  
23                   *cal year 2012.*

24                   “(V) *100 percent by the end of fis-*  
25                   *cal year 2013.*

1           “(B) *CONSIDERATION.*—*In selecting States*  
2           *under subparagraph (A)(ii), the Secretary shall*  
3           *consult with the States involved and take into*  
4           *account the feasibility of implementing asset*  
5           *verification programs in each such State.*

6           “(C) *STATES SPECIFIED.*—*The States speci-*  
7           *fied in this subparagraph are California, New*  
8           *York, and New Jersey.*

9           “(D) *CONSTRUCTION.*—*Nothing in subpara-*  
10          *graph (A)(ii) shall be construed as preventing a*  
11          *State from requesting, and the Secretary from*  
12          *approving, the implementation of an asset*  
13          *verification program in advance of the deadline*  
14          *otherwise established under such subparagraph.*

15          “(4) *EXEMPTION OF TERRITORIES.*—*This section*  
16          *shall only apply to the 50 States and the District of*  
17          *Columbia.*

18          “(b) *ASSET VERIFICATION PROGRAM.*—

19                 “(1) *IN GENERAL.*—*For purposes of this section,*  
20                 *an asset verification program means a program de-*  
21                 *scribed in paragraph (2) under which a State—*

22                         “(A) *requires each applicant for, or recipi-*  
23                         *ent of, medical assistance under the State plan*  
24                         *under this title on the basis of being aged, blind,*  
25                         *or disabled to provide authorization by such ap-*

1        *plicant or recipient (and any other person whose*  
2        *resources are required by law to be disclosed to*  
3        *determine the eligibility of the applicant or re-*  
4        *recipient for such assistance) for the State to ob-*  
5        *tain (subject to the cost reimbursement require-*  
6        *ments of section 1115(a) of the Right to Finan-*  
7        *cial Privacy Act but at no cost to the applicant*  
8        *or recipient) from any financial institution*  
9        *(within the meaning of section 1101(1) of such*  
10       *Act) any financial record (within the meaning of*  
11       *section 1101(2) of such Act) held by the institu-*  
12       *tion with respect to the applicant or recipient*  
13       *(and such other person, as applicable), whenever*  
14       *the State determines the record is needed in con-*  
15       *nection with a determination with respect to*  
16       *such eligibility for (or the amount or extent of)*  
17       *such medical assistance; and*

18                *“(B) uses the authorization provided under*  
19        *subparagraph (A) to verify the financial re-*  
20        *sources of such applicant or recipient (and such*  
21        *other person, as applicable), in order to deter-*  
22        *mine or redetermine the eligibility of such appli-*  
23        *cant or recipient for medical assistance under*  
24        *the State plan.*

1           “(2) *PROGRAM DESCRIBED.*—A program de-  
2           scribed in this paragraph is a program for verifying  
3           individual assets in a manner consistent with the ap-  
4           proach used by the Commissioner of Social Security  
5           under section 1631(e)(1)(B)(ii).

6           “(c) *DURATION OF AUTHORIZATION.*—Notwith-  
7           standing section 1104(a)(1) of the Right to Financial Pri-  
8           vacy Act, an authorization provided to a State under sub-  
9           section (b)(1) shall remain effective until the earliest of—

10           “(1) the rendering of a final adverse decision on  
11           the applicant’s application for medical assistance  
12           under the State’s plan under this title;

13           “(2) the cessation of the recipient’s eligibility for  
14           such medical assistance; or

15           “(3) the express revocation by the applicant or  
16           recipient (or such other person described in subsection  
17           (b)(1), as applicable) of the authorization, in a writ-  
18           ten notification to the State.

19           “(d) *TREATMENT OF RIGHT TO FINANCIAL PRIVACY*  
20 *ACT REQUIREMENTS.*—

21           “(1) An authorization obtained by the State  
22           under subsection (b)(1) shall be considered to meet the  
23           requirements of the Right to Financial Privacy Act  
24           for purposes of section 1103(a) of such Act, and need

1       *not be furnished to the financial institution, notwith-*  
2       *standing section 1104(a) of such Act.*

3               “(2) *The certification requirements of section*  
4       *1103(b) of the Right to Financial Privacy Act shall*  
5       *not apply to requests by the State pursuant to an au-*  
6       *thorization provided under subsection (b)(1).*

7               “(3) *A request by the State pursuant to an au-*  
8       *thorization provided under subsection (b)(1) is*  
9       *deemed to meet the requirements of section 1104(a)(3)*  
10       *of the Right to Financial Privacy Act and of section*  
11       *1102 of such Act, relating to a reasonable description*  
12       *of financial records.*

13              “(e) *REQUIRED DISCLOSURE.—The State shall inform*  
14       *any person who provides authorization pursuant to sub-*  
15       *section (b)(1)(A) of the duration and scope of the authoriza-*  
16       *tion.*

17              “(f) *REFUSAL OR REVOCATION OF AUTHORIZATION.—*  
18       *If an applicant for, or recipient of, medical assistance*  
19       *under the State plan under this title (or such other person*  
20       *described in subsection (b)(1), as applicable) refuses to pro-*  
21       *vide, or revokes, any authorization made by the applicant*  
22       *or recipient (or such other person, as applicable) under sub-*  
23       *section (b)(1)(A) for the State to obtain from any financial*  
24       *institution any financial record, the State may, on that*

1 basis, determine that the applicant or recipient is ineligible  
2 for medical assistance.

3       “(g) *USE OF CONTRACTOR.*—For purposes of imple-  
4 menting an asset verification program under this section,  
5 a State may select and enter into a contract with a public  
6 or private entity meeting such criteria and qualifications  
7 as the State determines appropriate, consistent with re-  
8 quirements in regulations relating to general contracting  
9 provisions and with section 1903(i)(2). In carrying out ac-  
10 tivities under such contract, such an entity shall be subject  
11 to the same requirements and limitations on use and disclo-  
12 sure of information as would apply if the State were to  
13 carry out such activities directly.

14       “(h) *TECHNICAL ASSISTANCE.*—The Secretary shall  
15 provide States with technical assistance to aid in imple-  
16 mentation of an asset verification program under this sec-  
17 tion.

18       “(i) *REPORTS.*—A State implementing an asset  
19 verification program under this section shall furnish to the  
20 Secretary such reports concerning the program, at such  
21 times, in such format, and containing such information as  
22 the Secretary determines appropriate.

23       “(j) *TREATMENT OF PROGRAM EXPENSES.*—Notwith-  
24 standing any other provision of law, reasonable expenses  
25 of States in carrying out the program under this section

1 *shall be treated, for purposes of section 1903(a), in the same*  
2 *manner as State expenditures specified in paragraph (7)*  
3 *of such section.”.*

4 (2) *STATE PLAN REQUIREMENTS.—Section*  
5 *1902(a) of such Act (42 U.S.C. 1396a(a)) is amend-*  
6 *ed—*

7 (A) *in paragraph (69) by striking “and” at*  
8 *the end;*

9 (B) *in paragraph (70) by striking the pe-*  
10 *riod at the end and inserting “; and”; and*

11 (C) *by inserting after paragraph (70), as so*  
12 *amended, the following new paragraph:*

13 “(71) *provide that the State will implement an*  
14 *asset verification program as required under section*  
15 *1940.”.*

16 (3) *WITHHOLDING OF FEDERAL MATCHING PAY-*  
17 *MENTS FOR NONCOMPLIANT STATES.—Section 1903(i)*  
18 *of such Act (42 U.S.C. 1396b(i)) is amended—*

19 (A) *in paragraph (22) by striking “or” at*  
20 *the end;*

21 (B) *in paragraph (23) by striking the pe-*  
22 *riod at the end and inserting “; or”; and*

23 (C) *by adding after paragraph (23) the fol-*  
24 *lowing new paragraph:*

1           “(24) if a State is required to implement an  
2           asset verification program under section 1940 and  
3           fails to implement such program in accordance with  
4           such section, with respect to amounts expended by  
5           such State for medical assistance for individuals sub-  
6           ject to asset verification under such section, unless—

7                   “(A) the State demonstrates to the Sec-  
8                   retary’s satisfaction that the State made a good  
9                   faith effort to comply;

10                   “(B) not later than 60 days after the date  
11                   of a finding that the State is in noncompliance,  
12                   the State submits to the Secretary (and the Sec-  
13                   retary approves) a corrective action plan to rem-  
14                   edy such noncompliance; and

15                   “(C) not later than 12 months after the date  
16                   of such submission (and approval), the State ful-  
17                   fills the terms of such corrective action plan.”.

18           (4) *REPEAL.*—Section 4 of Public Law 110–90  
19           is repealed.

20           *SEC. 7002. (a) MEDICARE IMPROVEMENT FUND.*—  
21           Title XVIII of the Social Security Act (42 U.S.C. 1395 et  
22           seq.) is amended by adding at the end the following new  
23           section:

24                   “*MEDICARE IMPROVEMENT FUND*

25                   “*SEC. 1898. (a) ESTABLISHMENT.*—The Secretary  
26           shall establish under this title a Medicare Improvement

1 *Fund (in this section referred to as the ‘Fund’) which shall*  
2 *be available to the Secretary to make improvements under*  
3 *the original fee-for-service program under parts A and B*  
4 *for individuals entitled to, or enrolled for, benefits under*  
5 *part A or enrolled under part B.*

6 “(b) *FUNDING.*—

7 “(1) *IN GENERAL.*—*There shall be available to*  
8 *the Fund, for expenditures from the Fund for services*  
9 *furnished during fiscal year 2014, \$2,220,000,000.*

10 “(2) *PAYMENT FROM TRUST FUNDS.*—*The*  
11 *amount specified under paragraph (1) shall be avail-*  
12 *able to the Fund, as expenditures are made from the*  
13 *Fund, from the Federal Hospital Insurance Trust*  
14 *Fund and the Federal Supplementary Medical Insur-*  
15 *ance Trust Fund in such proportion as the Secretary*  
16 *determines appropriate.*

17 “(3) *FUNDING LIMITATION.*—*Amounts in the*  
18 *Fund shall be available in advance of appropriations*  
19 *but only if the total amount obligated from the Fund*  
20 *does not exceed the amount available to the Fund*  
21 *under paragraph (1). The Secretary may obligate*  
22 *funds from the Fund only if the Secretary determines*  
23 *(and the Chief Actuary of the Centers for Medicare &*  
24 *Medicaid Services and the appropriate budget officer*  
25 *certify) that there are available in the Fund sufficient*

1        *amounts to cover all such obligations incurred con-*  
 2        *sistent with the previous sentence.”.*

3        *(b) MEDICAID IMPROVEMENT FUND.— Title XIX of the*  
 4        *Social Security Act (42 U.S.C. 1396 et seq.), as amended*  
 5        *by section 7001(d), is further amended by adding at the*  
 6        *end the following new section:*

7                                *“MEDICAID IMPROVEMENT FUND*

8                *“SEC. 1941. (a) ESTABLISHMENT.—The Secretary*  
 9        *shall establish under this title a Medicaid Improvement*  
 10        *Fund (in this section referred to as the ‘Fund’) which shall*  
 11        *be available to the Secretary to improve the management*  
 12        *of the Medicaid program by the Centers for Medicare &*  
 13        *Medicaid Services, including oversight of contracts and con-*  
 14        *tractors and evaluation of demonstration projects. Pay-*  
 15        *ments made for activities under this subsection shall be in*  
 16        *addition to payments that would otherwise be made for such*  
 17        *activities.*

18                *“(b) FUNDING.—*

19                                *“(1) IN GENERAL.—There shall be available to*  
 20        *the Fund, for expenditures from the Fund—*

21                                        *“(A) for fiscal year 2014, \$100,000,000; and*

22                                        *“(B) for fiscal years 2015 through 2018,*  
 23        *\$150,000,000.*

24                                *“(2) FUNDING LIMITATION.—Amounts in the*  
 25        *Fund shall be available in advance of appropriations*  
 26        *but only if the total amount obligated from the Fund*

1        *does not exceed the amount available to the Fund*  
2        *under paragraph (1). The Secretary may obligate*  
3        *funds from the Fund only if the Secretary determines*  
4        *(and the Chief Actuary of the Centers for Medicare &*  
5        *Medicaid Services and the appropriate budget officer*  
6        *certify) that there are available in the Fund sufficient*  
7        *amounts to cover all such obligations incurred con-*  
8        *sistent with the previous sentence.”.*

9        *(c) ADJUSTMENT TO PAQI FUND.—Section 1848(l)(2)*  
10       *of the Social Security Act (42 U.S.C. 1395w-4(l)(2)), as*  
11       *amended by section 101(a)(2) of the Medicare, Medicaid,*  
12       *and SCHIP Extension Act of 2007 (Public Law 110-173),*  
13       *is amended—*

14                *(1) in subparagraph (A)(i)—*

15                        *(A) in subclause (III), by striking*  
16                        *“\$4,960,000,000” and inserting*  
17                        *“\$4,670,000,000”; and*

18                        *(B) by adding at the end the following new*  
19                        *subclause:*

20                                        *“(IV) For expenditures during*  
21                                        *2014, an amount equal to*  
22                                        *\$290,000,000.”;*

23                        *(2) in subparagraph (A)(ii), by adding at the*  
24                        *end the following new subclause:*

1                   “(IV) 2014.—The amount avail-  
 2                   able for expenditures during 2014 shall  
 3                   only be available for an adjustment to  
 4                   the update of the conversion factor  
 5                   under subsection (d) for that year.”;  
 6                   and

7                   (3) in subparagraph (B)—

8                   (A) in clause (ii), by striking “and” at the  
 9                   end;

10                  (B) in clause (iii), by striking the period at  
 11                  the end and inserting “; and”; and

12                  (C) by adding at the end the following new  
 13                  clause:

14                                 “(iv) 2014 for payment with respect to  
 15                                 physicians’ services furnished during  
 16                                 2014.”.

17                   **TITLE VIII—GENERAL PROVISIONS, THIS ACT**

18   **AVAILABILITY OF FUNDS**

19                   **SEC. 8001.** *No part of any appropriation contained*  
 20 *in this Act shall remain available for obligation beyond the*  
 21 *current fiscal year unless expressly so provided herein.*

22   **EMERGENCY DESIGNATION**

23                   **SEC. 8002.** *Each amount in each title of this Act is*  
 24 *designated as an emergency requirement and necessary to*  
 25 *meet emergency needs pursuant to section 204(a) of S. Con.*  
 26 *Res. 21 (110th Congress) and section 301(b)(2) of S. Con.*

1 *Res. 70 (110th Congress), the concurrent resolutions on the*  
2 *budget for fiscal years 2008 and 2009.*

3 *REDUCTION IN DEFENSE AMOUNTS*

4 *SEC. 8003. Notwithstanding any other provision of*  
5 *this Act, the total amount appropriated in chapter 1 of title*  
6 *IX of this Act under the headings “Procurement”, “Re-*  
7 *search, Development, Test and Evaluation”, and “Defense*  
8 *Working Capital Funds” is hereby reduced by*  
9 *\$3,577,845,000. Such reduction shall be applied proportion-*  
10 *ally to each appropriation account under such headings,*  
11 *and to each program, project, and activity within each such*  
12 *appropriation account.*

13 *JOINT BASING INITIATIVES*

14 *SEC. 8004. Section 9310 of this Act is amended by in-*  
15 *serting “, except funds deposited in the Department of De-*  
16 *fense Base Closure Account 2005,” after “None of the funds*  
17 *available to the Department of Defense”.*

18 *DEFENSE HEALTH PROGRAM*

19 *SEC. 8005. Amounts provided for “Defense Health*  
20 *Program” in Public Law 110-28 for Post Traumatic Stress*  
21 *Disorder and Traumatic Brain Injury (TBI) within oper-*  
22 *ation and maintenance which remain available for obliga-*  
23 *tion shall be made available for psychological health and*  
24 *traumatic brain injury.*





110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H.R. 2642**

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**HOUSE AMENDMENT  
TO SENATE  
AMENDMENTS TO  
HOUSE AMENDMENTS  
TO SENATE  
AMENDMENT**