

**FURTHER HOUSE AMENDMENT RELATING TO SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEARS 2008 AND 2009**

TITLE I—MILITARY CONSTRUCTION, VETERANS AFFAIRS, INTERNATIONAL
AFFAIRS, AND OTHER SECURITY-RELATED MATTERS

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

The amended bill provides a total of \$850,000,000 to remain available until expended for Public Law 480 Title II Grants for fiscal year 2008. The amended bill provides \$350,000,000, as requested, for the urgent humanitarian needs identified by the administration. Further, the amended bill provides an additional \$500,000,000 for unanticipated cost increases for food and transportation to be made available immediately.

In addition, because the need for urgent humanitarian food assistance and continuing volatility of food and transportation costs are expected to continue into fiscal year 2009, the amended bill provides a total of \$395,000,000, as requested, to be made available beginning October 1, 2008.

CHAPTER 2—JUSTICE

DEPARTMENT OF JUSTICE

OFFICE OF INSPECTOR GENERAL

The amended bill includes \$4,000,000 for the Office of Inspector General. The Inspector General is directed to continue its audit and oversight activities of the Federal Bureau of Investigation's use of National Security Letters (NSLs) and orders for business records, pursuant to Section 215 of the USA PATRIOT Act.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The amended bill includes \$1,648,000 for General Legal Activities for the Criminal Division to provide litigation support services to the Special Inspector General for Iraq Reconstruction for its ongoing investigations and cases involving corruption in the reconstruction of Iraq. The amended bill does not include funding requested to create Iraq and Afghanistan support units within General Legal Activities, Criminal Division.

These worthy activities should be supported through funds made available to the Departments of State or Defense.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The amended bill includes \$5,000,000 for the U.S. Attorneys for extraordinary litigation expenses associated with terrorism prosecutions in the United States.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

The amended bill includes \$28,621,000 for the U.S. Marshals Service. Within this funding level is \$7,951,000 to provide security at high-threat terrorist trials in the United States and \$3,700,000 to improve court and witness security in Afghanistan.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

The amended bill provides \$106,122,000 for the Federal Bureau of Investigation (FBI). This funding level includes \$101,122,000 for operations in Iraq and Afghanistan and for enhanced counterterrorism activities and \$5,000,000 to increase the FBI's capacity to investigate fraudulent contracts in Iraq and Afghanistan. The FBI is directed to provide the House and Senate Committees on Appropriations with a detailed plan for the obligation of these funds no later than 30 days after the enactment of this Act and to update this plan on a quarterly basis with actual obligations.

The amended bill also provides \$82,600,000 in bridge funding for the FBI to maintain the operations described above into fiscal year 2009.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

The amended bill includes \$29,861,000 for the Drug Enforcement Administration to further its narco-terrorism initiative and Operation Breakthrough; to conduct financial investigations and to support intelligence activities, such as signals intelligence, to assist the Government of Afghanistan's counter-narcotics and narco-terrorism programs; and to purchase a helicopter for Foreign-deployed Advisory Support Team transportation.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

The amended bill includes \$4,000,000 for the Bureau of Alcohol, Tobacco, Firearms and Explosives for necessary costs of operations in Iraq.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The amended bill provides \$9,100,000 for the Bureau of Prisons to monitor communications of incarcerated terrorists, collect intelligence, and disseminate relevant information to other Federal law enforcement agencies.

GENERAL PROVISION, THIS CHAPTER

The amended bill includes a provision authorizing the use of funds appropriated in this chapter, or available by the transfer of funds in this chapter, for activities pursuant to section 504 of the National Security Act of 1947.

CHAPTER 3—MILITARY CONSTRUCTION AND VETERANS AFFAIRS

DEPARTMENT OF DEFENSE

Iraq.—The Administration's request has been reviewed for military construction in Iraq to ensure that the recommended projects are consistent with contingency construction standards. The establishment of permanent bases in Iraq is not supported, and the amended bill does not include any funds to establish any such base, or convert any base in Iraq from a temporary to permanent status. The amended bill includes language prohibiting the obligation or expenditure of funds for Iraq construction projects provided under Military Construction, Army, and Military Construction, Air Force, until the Secretary of Defense certifies that none of the funds are to be used for the purpose of providing facilities for permanent basing of U.S. military personnel in Iraq. The Secretary of Defense is further directed to provide to the Committees on Appropriations of both Houses of Congress, no later than 30 days after enactment of this act, an updated Master Plan for U.S. basing in Iraq, including an inventory of installations that have been closed; those that are scheduled to close, and the timeline for their closure; and a finite list of potential enduring locations describing the mission, military construction requirements, and projected population of these locations.

Child Development Centers.—The amended bill recommends a total of \$210,258,000 to design and build twenty new child development centers for the Army, Navy, Marine Corps, and Air Force. The Department should be commended for following the lead of Congress by requesting funds for additional child development centers.

Army Barracks Improvements.—The deplorable conditions that have recently been uncovered in some permanent party Army barracks, including those which house soldiers returning from the wars in Iraq and Afghanistan, have raised numerous concerns about the adequacy of living conditions for military personnel. The Army created a permanent party barracks modernization program in 1994 to eliminate inadequate barracks. However, this program is not projected to be completely funded until 2013. Given this timeline, it is unacceptable that the Army has allowed some of its existing permanent party barracks to fall into disrepair. While many of the repairs and upgrades to existing

barracks can be accomplished with Sustainment, Restoration, and Modernization (SRM) funds, there is a need for additional military construction funds to expedite barracks replacements. The amended bill includes a total of \$200,000,000 for the Army to accelerate the construction of new barracks, or to provide major renovations to existing barracks. The funding is provided subject to the development of an expenditure plan to be submitted to the Committees on Appropriations of both Houses of Congress.

MILITARY CONSTRUCTION, ARMY

The amended bill recommends \$1,108,200,000 for Military Construction, Army. The funds are provided as follows:

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|----------------------------------|---|---------|----------------|
| AK: Fort Wainwright..... | Child Development Center (1)..... | 17,000 | 17,000 |
| CA: Fort Irwin..... | Child Development Center (1)..... | 11,800 | 11,800 |
| CO: Fort Carson..... | Child Development Center (1)..... | 8,400 | 8,400 |
| CO: Fort Carson..... | Soldier Family Assistance Center..... | 8,100 | 8,100 |
| GA: Fort Gordon..... | Child Development Center (1)..... | 7,800 | 7,800 |
| GA: Fort Stewart..... | Soldier Family Assistance Center..... | 6,000 | 6,000 |
| HI: Schofield Barracks..... | Child Development Center (1)..... | 12,500 | 12,500 |
| KS: Fort Riley..... | Transitioning Warrior Support Complex..... | 50,000 | 50,000 |
| KY: Fort Campbell..... | Child Development Center (1)..... | 9,900 | 9,900 |
| KY: Fort Campbell..... | Soldier Family Assistance Center..... | 7,400 | 7,400 |
| KY: Fort Knox..... | Child Development Center (1)..... | 7,400 | 7,400 |
| LA: Fort Polk..... | Soldier Family Assistance Center..... | 4,900 | 4,900 |
| MO: Fort Leonard Wood..... | Starbase Complex 6, Phase 1..... | - | 50,000 |
| NC: Fort Bragg..... | Child Development Center (1)..... | 8,500 | 8,500 |
| NY: Fort Drum..... | Warrior in Transition Facilities..... | 38,000 | 38,000 |
| OK: Fort Sill..... | Child Development Center (1)..... | 9,000 | 9,000 |
| TX: Fort Bliss..... | Child Development Center (1)..... | 5,700 | 5,700 |
| TX: Fort Bliss..... | Child Development Center (1)..... | 5,900 | 5,900 |
| TX: Fort Bliss..... | Child Development Center (1)..... | 5,700 | 5,700 |
| TX: Fort Hood..... | Child Development Center (1)..... | 7,200 | 7,200 |
| TX: Fort Hood..... | Warrior in Transition Unit Ops Facilities..... | 9,100 | 9,100 |
| TX: Fort Sam Houston..... | Child Development Center (1)..... | 7,000 | 7,000 |
| VA: Fort Lee..... | Child Development Center (1)..... | 7,400 | 7,400 |
| Afghanistan: Bagram AB..... | Administrative Building (1)..... | 13,800 | 13,800 |
| Afghanistan: Bagram AB..... | Aircraft Maintenance Hangar..... | 5,100 | 5,100 |
| Afghanistan: Bagram AB..... | Ammunition Supply Point..... | 62,000 | 62,000 |
| Afghanistan: Bagram AB..... | Bulk Fuel Storage and Supply, Phase 3..... | 23,000 | 23,000 |
| Afghanistan: Bagram AB..... | Bulk Fuel Storage and Supply, Phase 4..... | 21,000 | 21,000 |
| Afghanistan: Bagram AB..... | New Roads..... | 27,000 | 27,000 |
| Afghanistan: Bagram AB..... | Power Plant..... | 41,000 | 41,000 |
| Afghanistan: Ghazni..... | Rotary Wing Parking..... | 5,000 | 5,000 |
| Afghanistan: Kabul..... | Consolidated Compound..... | 36,000 | 36,000 |
| Afghanistan: Various Locations.. | Counter IED Road - Route Alaska..... | 16,500 | 16,500 |
| Afghanistan: Various Locations.. | Counter IED Road - Route Connecticut..... | 54,000 | 54,000 |
| Iraq: Al Asad AB..... | Hot Cargo Ramp..... | 18,500 | 18,500 |
| Iraq: Al Asad AB..... | Landfill..... | 3,100 | 3,100 |
| Iraq: Al Asad AB..... | Power Plant..... | 40,000 | - |
| Iraq: Al Asad AB..... | South Airfield Apron (India Ramp)..... | 28,000 | 28,000 |
| Iraq: Al Asad AB..... | Urban Bypass Road..... | 43,000 | - |
| Iraq: Baghdad IAP..... | Water Supply, Treatment & Storage Ph III..... | 13,000 | 13,000 |
| Iraq: Camp Adder..... | Convoy Support Center Relocation, Phase II..... | 39,000 | 39,000 |
| Iraq: Camp Adder..... | Multi-Class Storage Warehouse..... | 17,000 | - |
| Iraq: Camp Adder..... | POL Storage Area..... | 10,000 | 10,000 |
| Iraq: Camp Adder..... | Power Plant..... | 39,000 | - |
| Iraq: Camp Adder..... | Wastewater Treatment & Collection System..... | 9,800 | 9,800 |
| Iraq: Camp Anaconda..... | Hazardous Waste Incinerator..... | 4,300 | 4,300 |
| Iraq: Camp Anaconda..... | Landfill..... | 6,200 | 6,200 |
| Iraq: Camp Anaconda..... | Power Plant..... | 39,000 | - |
| Iraq: Camp Constitution..... | Juvenile TIFRIC..... | 11,700 | 11,700 |
| Iraq: Camp Cropper..... | Brick Factory..... | 9,500 | - |
| Iraq: Camp Marez..... | Landfill..... | 880 | 880 |
| Iraq: Camp Ramadi..... | Landfill..... | 880 | 880 |
| Iraq: Camp Speicher..... | Aviation Navigation Facilities..... | 13,400 | 13,400 |
| Iraq: Camp Speicher..... | Landfill..... | 5,900 | 5,900 |
| Iraq: Camp Speicher..... | Military Control Point..... | 5,800 | 5,800 |
| Iraq: Camp Speicher..... | Power Plant..... | 39,000 | - |
| Iraq: Camp Speicher..... | Rotary Wing Parking Apron..... | 49,000 | - |

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|------------------------------|---|-----------|----------------|
| Iraq: Camp Taqqadam..... | Landfill..... | 880 | 880 |
| Iraq: Camp Warrior..... | Landfill..... | 880 | 880 |
| Iraq: Fallujah..... | Landfill..... | 880 | 880 |
| Iraq: Mosul..... | Urban Bypass Road..... | 43,000 | - |
| Iraq: Qayyarah West..... | North Entry Control Point..... | 11,400 | 11,400 |
| Iraq: Qayyarah West..... | Perimeter Security Upgrade..... | 14,600 | 14,600 |
| Iraq: Qayyarah West..... | Power Plant..... | 26,000 | - |
| Iraq: Scania..... | Entry Control Point..... | 5,000 | 5,000 |
| Iraq: Scania..... | Water Storage Tanks..... | 9,200 | 9,200 |
| Iraq: Victory Base..... | Landfill..... | 6,200 | 6,200 |
| Iraq: Victory Base..... | Level 3 Hospital..... | 13,400 | 13,400 |
| Iraq: Victory Base..... | Wastewater Treatment & Collection System..... | 9,800 | 9,800 |
| Iraq: Victory Base..... | Water Treatment & Storage Phase II..... | 18,000 | 18,000 |
| Iraq: Various Locations..... | Facilities Replacement..... | 72,000 | - |
| Iraq: Various Locations..... | Overhead Cover - eGlass..... | 135,000 | 135,000 |
| Kuwait: Camp Arifjan..... | Communication Center..... | 30,000 | 30,000 |
| Worldwide: Unspecified..... | Planning and Design (GWOT)..... | 64,200 | 52,800 |
| Worldwide: Unspecified..... | Planning and Design (WIT)..... | 14,600 | 14,600 |
| Worldwide: Unspecified..... | Planning and Design (CDC) (1/1)..... | 6,000 | 6,000 |
| | Total..... | 1,486,100 | 1,108,200 |

1/ Requested by the Department of Defense in fiscal year 2008 and/or the March 2008 Adjustments package.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

The amended bill recommends \$355,907,000 for Military Construction, Navy and Marine Corps. The funds are provided as follows:

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|------------------------------|---|---------|----------------|
| CA: Camp Pendleton..... | 11th Marine Regiment HQ, Armory, BEQ..... | 34,970 | 34,970 |
| CA: Camp Pendleton..... | 5th Marine Regiment Addition, San Mateo..... | 10,890 | 10,890 |
| CA: Camp Pendleton..... | Armory Intelligence Battalion, 16 Area..... | 4,180 | 4,180 |
| CA: Camp Pendleton..... | Armory, Regiment & Battalion HQ, 53 Area..... | 5,160 | 5,160 |
| CA: Camp Pendleton..... | BEQ & Mess Hall HQ (13) Area..... | 24,390 | 24,390 |
| CA: Camp Pendleton..... | EOD Operations Facility..... | 13,090 | 13,090 |
| CA: Camp Pendleton..... | ISR Camp - Intelligence Battalion..... | 1,114 | 1,114 |
| CA: Camp Pendleton..... | JIEDDO Battle Courses (1/..... | 9,270 | 9,270 |
| CA: Camp Pendleton..... | Military Police Company Facilities..... | 8,240 | 8,240 |
| CA: Twentynine Palms..... | Regimental Combat Team HQ Facility..... | 4,440 | 4,440 |
| CA: China Lake NAWS..... | JIEDDO Battle Courses (1/..... | 7,210 | 7,210 |
| CA: Point Mugu..... | JIEDDO Battle Courses (1/..... | 7,250 | 7,250 |
| CA: San Diego..... | Child Development Center (1/..... | 17,930 | 17,930 |
| CA: Twentynine Palms..... | JIEDDO Battle Courses (1/..... | 11,250 | 11,250 |
| FL: Whiting Field NAS..... | JIEDDO Battle Courses (1/..... | 780 | 780 |
| MS: Gulfport NCBC..... | JIEDDO Battle Courses (1/..... | 6,570 | 6,570 |
| NC: Camp Lejeune..... | Child Development Center (1/..... | 16,000 | 16,000 |
| NC: Camp Lejeune..... | JIEDDO Battle Courses (1/..... | 11,980 | 11,980 |
| NC: Camp Lejeune..... | Maintenance/Operations Complex 2/9..... | 43,340 | 43,340 |
| SC: Parris Island MCRD..... | Recruit Barracks..... | - | 25,360 |
| VA: Yorktown NWS..... | JIEDDO Battle Courses (1/..... | 8,070 | 8,070 |
| Djibouti: Camp Lemonier..... | CJTF-HOA HQ Facility..... | 29,710 | - |
| Djibouti: Camp Lemonier..... | Dining Facility..... | 20,780 | 20,780 |
| Djibouti: Camp Lemonier..... | Fuel Farm (1/..... | 4,000 | 4,000 |
| Djibouti: Camp Lemonier..... | Full Length Taxiway (1/..... | 15,490 | 15,490 |
| Djibouti: Camp Lemonier..... | Network Infrastructure Expansion..... | 6,270 | 6,270 |
| Djibouti: Camp Lemonier..... | Water Production..... | 19,140 | 19,140 |
| Djibouti: Camp Lemonier..... | Western Taxiway (1/..... | 2,900 | 2,900 |
| Worldwide: Unspecified..... | Planning and Design (GTF)..... | 7,491 | 7,491 |
| Worldwide: Unspecified..... | Planning and Design (GWOT)..... | 4,300 | 4,300 |
| Worldwide: Unspecified..... | Planning and Design (CDC) (1/..... | 1,101 | 1,101 |
| Worldwide: Unspecified..... | Planning and Design (JIEDDO) (1/..... | 2,951 | 2,951 |
| Total | | 360,257 | 355,907 |

1/ Requested by the Department of Defense in fiscal year 2008 and/or the March 2008 Adjustments package.

Joint IED Defeat Organization (JIEDDO) Battle Courses.—The amended bill recommends \$65,331,000 to construct facilities for enhanced counter-improvised explosive device training in furtherance of the goals of the Joint IED Defeat Organization. These funds address a technical correction in the Administration’s fiscal year 2008 Global War on Terror budget request and are offset by a rescission in title IX.

MILITARY CONSTRUCTION, AIR FORCE

The amended bill recommends \$399,627,000 for Military Construction, Air Force. The funds are provided as follows:

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|-----------------------------|--|---------|----------------|
| CA: Beale AFB..... | Child Development Center (1/) | 17,600 | 17,600 |
| FL: Eglin AFB..... | Child Development Center (1/) | 11,000 | 11,000 |
| NJ: McGuire AFB..... | JIEDDO Battle Courses (1/) | 6,200 | 6,200 |
| NM: Cannon AFB..... | Child Development Center (1/) | 8,000 | 8,000 |
| Afghanistan: Bagram AB..... | East Side Helo Ramp..... | 44,400 | 44,400 |
| Afghanistan: Bagram AB..... | ISR Ramp..... | 26,300 | 26,300 |
| Afghanistan: Bagram AB..... | Parallel Taxiway Phase 2..... | 21,400 | 21,400 |
| Afghanistan: Bagram AB..... | Strategic Ramp..... | 43,000 | 43,000 |
| Iraq: Balad AB..... | Fighter Ramp..... | 11,000 | 11,000 |
| Iraq: Balad AB..... | Foxtrot Taxiway..... | 12,700 | 12,700 |
| Iraq: Balad AB..... | Helicopter Maintenance Facilities..... | 34,600 | 34,600 |
| Kyrgyzstan: Manas AB..... | Strategic Ramp..... | 30,300 | 30,300 |
| Oman: Masirah AB..... | Expeditionary Beddown Site..... | 6,300 | 6,300 |
| Qatar: Al Udeid AB..... | Facility Replacements..... | 40,000 | 30,000 |
| Qatar: Al Udeid AB..... | Northwest (CAS) Ramp (1/) | 60,400 | 60,400 |
| Worldwide: Unspecified..... | Planning and Design (GWOT)..... | 35,000 | 35,000 |
| Worldwide: Unspecified..... | Planning and Design (CDC) (1/) | 1,427 | 1,427 |
| Total | | 409,627 | 399,627 |

1/ Requested by the Department of Defense in the March 2008 Adjustments package.

Joint IED Defeat Organization (JIEDDO) Battle Courses.—The amended bill recommends \$6,200,000 to construct facilities for enhanced counter-improvised explosive device training in furtherance of the goals of the Joint IED Defeat Organization. These funds address a technical correction in the Administration’s fiscal year 2008 Global War on Terror budget request and are offset by a rescission in title IX.

MILITARY CONSTRUCTION, DEFENSE-WIDE

The amended bill recommends \$890,921,000 for Military Construction, Defense-Wide. The funds are provided as follows:

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|-----------------------------|----------------------------------|---------|----------------|
| GA: Fort Benning..... | Hospital Replacement..... | - | 350,000 |
| KS: Fort Riley..... | Hospital Replacement..... | - | 404,000 |
| NC: Camp Lejeune..... | Hospital Addition..... | - | 64,300 |
| TX: Fort Sam Houston..... | Burn Rehabilitation Center..... | 21,000 | 21,000 |
| Qatar: Al Udeid AB..... | Logistics Storage Warehouse..... | 6,600 | 6,600 |
| Worldwide: Unspecified..... | Planning and Design (MTF)..... | - | 45,021 |
| Total | | 27,600 | 890,921 |

Medical Treatment Facilities Construction.—There is a great concern with the large backlog of needed recapitalization for medical treatment facilities for military service members and their families. The current Future Years Defense Plan (FYDP) for Tricare

Management Activity military construction averages \$412,000,000 per year for fiscal years 2009 through 2013, and much of this amount is accounted for by medical research facilities. With the services identifying recapitalization requirements ranging in the several billions of dollars, the current FYDP for medical construction is obviously and severely insufficient. The Department's inventory of medical treatment facilities is riddled with aging hospitals, clinics, and other facilities that do not meet current standards for medical care. Adding to this problem is the fact that several installations are adding thousands of personnel and dependents due to Base Realignment and Closure, the relocation of units from Europe and Korea to the United States, and the Growing the Force initiative that will add 92,000 active duty personnel to the Army and Marine Corps. The amended bill therefore recommends \$863,321,000 for additional medical treatment facility construction. These funds will provide for the Army's top two priority hospital replacement projects in the United States as well as a top priority hospital addition for the Marine Corps.

The Department of Defense is also directed to develop a comprehensive master plan for medical treatment facilities construction, to include both recapitalization and new requirements. This plan shall include a comprehensive priority list of projects for all services, provide a cost estimate for each project, supply data on the current state of facilities and the projected change in demand for services due to growth for each location on the list, indicate the extent to which identified construction requirements are programmed in the FYDP, and indicate the resources required for associated planning and design work. This report shall be submitted to the Committees on Appropriations of both Houses of Congress no later than December 31, 2008.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

The amended bill recommends \$11,766,000 for Family Housing Construction, Navy and Marine Corps. The funds are provided as follows:

[dollars in thousands]

| Location | Project description | Request | Recommendation |
|---------------------------|---------------------------------------|---------|----------------|
| CA: Camp Pendleton..... | Public-Private Venture, Phase 6B..... | 10,692 | 10,692 |
| CA: Twentynine Palms..... | Public-Private Venture, Phase 2A..... | 1,074 | 1,074 |
| Total | | 11,766 | 11,766 |

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005

The amended bill recommends \$1,278,886,000 for Department of Defense Base Closure Account 2005 instead of \$1,202,886,000 as requested by the Administration. The amount provided fully funds the Administration's request to expedite medical facility construction at Bethesda and Fort Belvoir, and provides an additional \$862,976,000 for BRAC 2005 implementation.

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

The amended bill recommends \$100,000,000 for General Operating Expenses to implement the provisions of title V of this Act.

INFORMATION TECHNOLOGY SYSTEMS

The amended bill recommends \$20,000,000 for Information Technology Systems to implement the provisions of title V of this Act, including support for any personnel increases within the Veterans Benefits Administration.

CONSTRUCTION, MAJOR PROJECTS

The amended bill recommends \$396,377,000 for Construction, Major Projects to accelerate and complete planned major construction of Level I polytrauma rehabilitation centers as identified in the Department of Veterans Affairs' Five Year Capital Plan.

Polytrauma Center Initiative.—The nature of combat in Iraq and Afghanistan has resulted in new patterns of polytraumatic injuries and disabilities requiring specialized intensive rehabilitation and high coordination of care. Operating under a national Memorandum of Agreement with the Department of Defense (DOD), the Department of Veterans Affairs (VA) polytrauma rehabilitation centers continue to provide treatment and care to severely injured combat personnel requiring polytrauma inpatient rehabilitation. The medical care the VA is providing to military personnel is exceptional. However, space in the existing polytrauma facilities is dated, with cramped quarters and treatment facilities scattered throughout hospital campuses. These inefficiencies prove to be difficult for patients with mobility issues, compromised immune systems, and those suffering from psychological wounds. In an effort to accelerate the VA's planned expansion and consolidation of polytrauma rehabilitation centers on existing hospital campuses as outlined in the Department's February 2008 Five Year Capital Plan, the amended bill recommends providing \$396,377,000 to fully fund the design and construction of these crucial projects.

GENERAL PROVISIONS, THIS CHAPTER

The amended bill includes the following general provisions for this chapter:

Section 1301 provides an additional appropriation for Military Construction, Army for the acceleration of barracks improvements at Army installations.

Section 1302 relates to the Armed Forces Institute of Pathology.

Section 1303 relates to the collection of certain debts owed to the Department of Veterans Affairs by service members killed in a combat zone.

CHAPTER 4—DEPARTMENT OF STATE AND FOREIGN OPERATIONS

SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR
2008

INTRODUCTION

The budget request totals \$5,073,608,000 in emergency supplemental funds for fiscal year 2008, and the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) provided \$1,473,800,000 for immediate requirements. The amended bill provides for Department of State, Foreign Operations and Related Programs a total of \$5,164,108,000, which is \$90,500,000 above the pending budget request.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The budget request included \$2,283,008,000 for Diplomatic and Consular Programs, of which \$575,000,000 was appropriated in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) for operations and security at the United States Embassy in Iraq.

The amended bill includes an additional \$1,465,700,000 for Diplomatic and Consular Programs, which is \$242,308,000 below the pending request. Within the amount provided, \$210,400,000 is for worldwide security protection. Funds for diplomatic and consular programs are to be allocated as follows:

DIPLOMATIC AND CONSULAR PROGRAMS
(\$ in thousands)

| Activity | Pending Request | Amended Bill | Change from Request |
|--|------------------------|---------------------|----------------------------|
| Iraq Diplomatic Operations | 1,545,608 | 1,150,000 | -395,608 |
| Afghanistan - Operations and Worldwide Security Protection | 162,400 | 200,200 | 37,800 |
| Pakistan – Operations | 0 | 7,500 | 7,500 |
| Western Hemisphere Travel Initiative | 0 | 1,000 | 1,000 |
| Worldwide Security Protection | 0 | 48,000 | 48,000 |
| Civilian Workforce Initiative | 0 | 55,000 | 55,000 |

| | | | |
|--|------------------|------------------|-----------------|
| Public Diplomacy | 0 | 4,000 | 4,000 |
| Total, Diplomatic and Consular Programs | 1,708,008 | 1,465,700 | -242,308 |

Afghanistan.—Within the total, the amended bill includes \$200,200,000, which is \$37,800,000 above the request, for necessary expenses for diplomatic and security operations in Afghanistan. Of this amount, \$162,400,000 is for enhanced security operations, including additional high threat protection teams, increased overhead cover and physical security measures, replacement of armored vehicles, and local guard service. In addition, \$19,000,000 is for the establishment of a Department of State-managed air transport capability in Afghanistan for Department of State and United States Agency for International Development (USAID) personnel to manage country programs, provide support for medical evacuation, and other security-related operations. Finally, \$18,800,000 is for support of operations and personnel for Provincial Reconstruction Teams (PRTs) in Afghanistan.

Iraq.—Within the total, \$1,150,000,000 is for the diplomatic and security operations of the United States Mission in Iraq, which is \$395,608,000 below the pending request. The cost of operations of the United States Mission in Iraq totals \$2,141,000,000 for fiscal year 2008, including \$1,150,000,000 provided in this Act, \$575,000,000 provided as bridge funding in Public Law 110-161 and \$416,000,000 in funds carried over from prior year appropriations. Nearly \$900,000,000 is requested for supporting security requirements for diplomatic and development personnel in Iraq.

The amended bill includes funding for mission operations, security, logistics support, information technology, and operations of PRTs. Congress has provided an additional \$196,543,000 since fiscal year 2006 for follow-on facilities requirements identified by the Department of State, as follows: extend the perimeter wall; construct a dining facility; construct additional housing; construct a tactical operations center for Diplomatic Security; construct a static guard camp; and construct overhead cover. The actual cost of building the New Embassy Compound (NEC) has reached a total of \$788,543,000 to date.

The number of permanent and temporary personnel assigned to Iraq, with the exception of USAID, should be decreased to accommodate all personnel within the NEC and any improvements can be made with previously appropriated funds. USAID will play a critical role in assisting the Government of Iraq in effectively allocating its budgetary resources.

The additional \$43,804,000 requested for follow-on projects for the NEC in Baghdad is not included. At least \$77,027,000 in prior year funding programmed for follow-on projects is available for obligation and these funds should be used to provide additional secure housing for a smaller number of personnel.

None of the funds provided under this heading in this Act shall be made available for follow-on projects, other than the proposed funding for overhead cover. The Department of State should include a detailed plan for the use of funds for follow-on projects as part of the spending plan required by this Act.

Due to an extended accreditation and verification process and the addition of follow-on projects, occupancy of the NEC offices and housing has been delayed. This rigorous process to address and validate whether the NEC was constructed to code and contract specifications was supported. Now that the process is complete, occupancy of the offices and housing should proceed without delay in order to provide the maximum protection to United States personnel.

The rationale for co-location of the Departments of State and Defense in the NEC is recognized. However, the proposed New Office Building and the Interim Office Building reconfigurations are projected to delay occupancy of NEC offices by up to one year. Given the difficult security environment in Baghdad, this lengthy delay is not acceptable. The Departments of State and Defense are expected to consult with the Committees on Appropriations on options for moving forward with limited co-location plans in the most accelerated, secure, and cost-effective manner. Any future construction in Iraq shall be subject to the Capital Security Cost Sharing Program, in the same manner as all other embassy construction projects worldwide.

There is a concern that private security contractors have been utilized without the necessary authority, oversight, or accountability. The Department of State is directed to provide a report to the Committees on Appropriations not later than 45 days after enactment of this Act on the implementation status of each of the recommendations of the October 2007 report of the Secretary of State's Panel on Personal Protective Services. The Department of State is encouraged to aggressively review security procedures and seek the necessary authority to ensure that increased security is achieved with effective oversight and accountability.

The Secretary of State should take appropriate steps to ensure that assistance for Iraq is not provided to or through any individual, private entity or educational institution that the Secretary knows or has reason to believe advocates, plans, sponsors, or engages in, terrorist activities.

Pakistan.—The amended bill includes \$7,500,000 for operations, security, and personnel engaged in diplomatic activities to promote economic and political development in the Federally Administered Tribal Areas along the Pakistan and Afghanistan border.

Sudan.—The amended bill includes resources to support the diplomatic mission in Sudan including the United States Special Envoy for Sudan.

Buying Power Maintenance Account.—The amended bill provides authority to transfer funds available in this Act, and in a prior Act, to the Buying Power Maintenance Account in accordance with section 24 of the State Department Basic Authorities Act, to manage exchange rate losses in fiscal year 2008.

Civilian Workforce Initiative.—The amended bill provides \$55,000,000 to increase the civilian diplomatic capacity of the Department of State to meet the increasing and complex demands of diplomacy in the 21st century. Within the total, \$30,000,000 is for the initial development and deployment of a civilian capacity to respond to post-conflict stabilization and reconstruction challenges and \$25,000,000 is to strengthen capabilities

of the United States diplomatic corps and promote broader engagement with the rest of the world, including expanding training and enhanced interagency collaboration.

The amended bill includes funds to replace Foreign Service positions worldwide, which were previously moved to Iraq and to increase the number of positions participating in critical needs foreign language training. The Department of State has transferred approximately 300 Foreign Service positions from embassies around the world to Iraq and to associated language training, leaving key posts understaffed. These funds are to be used to support United States foreign policy in priority, understaffed regions, particularly South and East Asia, the Western Hemisphere, and Africa.

Funds made available for the civilian stabilization initiative are for the Active and Standby Response Corps portion of the initiative and to enhance operations of the Office of the Coordinator for Reconstruction and Stabilization. In addition to the funds provided to the Department of State, \$25,000,000 is appropriated in this Act under the heading “Operating Expenses of the United States Agency for International Development” to implement the USAID portion of the civilian stabilization initiative. The funding request for the Civilian Response Corps will be considered as part of the fiscal year 2009 appropriations process and none of the funds provided in this Act are to be used to implement the Civilian Response Corps portion of the initiative.

Diplomatic Security-Worldwide Security Protection.—The amended bill also includes \$48,000,000 above the request for worldwide security protection. The amount provided is available to restore 100 positions in the diplomatic security personnel that were redirected to Iraq to address urgent security requirements for United States personnel elsewhere in the world.

Directorate of Defense Trade Controls. — Increased demands on the Directorate of Defense Trade Controls’ Office of Defense Trade Controls Licensing have led to delays in license processing. The Secretary of State is directed to review the workload demands and staffing needs of the office and report any recommendations to the Committees on Appropriations not later than 45 days after enactment of this Act.

Middle East Peace Process.—The security and support requirements for the personnel and operations that accompany the Middle East peace process have been, and should continue to be, supported through the operations funds available in fiscal year 2008. Any additional requirements associated with these activities will be considered during the fiscal year 2009 appropriations process.

Public Diplomacy.—The amended bill includes \$4,000,000 for the Office of Public Diplomacy and Public Affairs to expand new media for targeted Arabic language television programs for the purpose of fostering cultural, educational, and professional dialogues through indigenous Arabic language satellite media.

Western Hemisphere Travel Initiative.—The amended bill recommends not less than \$1,000,000 to expand public outreach efforts related to implementation of the Western Hemisphere Travel Initiative (WHTI). With WHTI implementation occurring as early as June 2009, there is concern about the lack of a comprehensive, coordinated plan between

the Department of State, the Department of Homeland Security, and the United States Postal Service to broadly disseminate information to the traveling public concerning the final WHTI implementation requirements at the Nation's land and sea ports. The Department of State is encouraged to provide significantly increased outreach to border communities, including through radio, print media, and additional passport fairs.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes an additional \$9,500,000 for Office of Inspector General (OIG) at the Department of State, which is \$9,500,000 above the pending request. Of the total, \$5,000,000 is to enhance the Department of State Inspector General's oversight of programs in Iraq and Afghanistan, \$2,500,000 is for operations of the Special Inspector General for Iraq Reconstruction (SIGIR), and \$2,000,000 is for operations of the Special Inspector General for Afghanistan Reconstruction (SIGAR).

The Department of State OIG, USAID OIG, SIGIR, and SIGAR each have independent oversight responsibilities in Iraq and Afghanistan. The inspectors general should, to the maximum extent practicable, coordinate, and de-conflict all activities related to oversight of assistance programs for the reconstruction of Iraq and Afghanistan to ensure that oversight resources are used effectively and are not unnecessarily duplicative.

To ensure continuity of oversight of permanent United States Missions, the USAID OIG and the Department of State OIG are expected to actively participate in oversight of all programs funded by this Act and prior Acts making appropriations for the Department of State and foreign operations, in particular oversight of diplomatic and development operations and facilities. Joint oversight with SIGIR or SIGAR is strongly encouraged; however once fully staffed, the Department of State OIG or the USAID OIG should, to the maximum extent practicable, be designated as the lead for any joint oversight conducted with SIGIR or SIGAR of funds involving diplomatic operations and facilities in Iraq and Afghanistan.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The amended bill includes an additional \$76,700,000 for urgent embassy security, construction, and maintenance costs, which is \$83,300,000 below the request. The funds are to construct 300 secure apartments and a secure office building, including the necessary perimeter security, utility, and dining facilities, for United States Mission staff in Afghanistan. Currently, there are a small number of permanent construction apartments and the majority of diplomatic and Mission personnel live in structures with limited protection. Additional funds for this purpose are provided in subchapter B.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The amended bill includes \$66,000,000 for Contributions to International Organizations, which is for United States contributions to the UN Assistance Mission in Afghanistan and the UN Assistance Mission in Iraq. Funding is also provided to meet fiscal year 2008 assessed dues to organizations whose missions are critical to protecting United States national security interests, including the North Atlantic Treaty Organization, the International Atomic Energy Agency, and the Organization for the Prohibition of Chemical Weapons.

The Department of State is directed not later than 45 days after enactment of this Act, to provide a report to the Committees on Appropriations detailing total United States-assessed contributions, any arrears from prior years and potential arrears for fiscal years 2008 and 2009 for each of the organizations funded under this heading.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The budget request included \$723,600,000 for Contributions for International Peacekeeping Activities, of which \$390,000,000 of funds designated as an emergency was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) for the United States contribution to the United Nations/African Union (UN/AU) hybrid peacekeeping mission to Darfur (UNAMID).

The amended bill includes an additional \$373,708,000 for assessed costs to UN peacekeeping operations. Within the total under this heading, not less than \$333,600,000 is provided for UNAMID, which is the same as the request. Additionally, the amended bill includes \$40,108,000 to meet unmet fiscal year 2008 assessed dues for the international peacekeeping missions to countries such as the Democratic Republic of the Congo, Côte d'Ivoire, Haiti, Liberia, and Sudan.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The amended bill includes an additional \$2,000,000 for International Broadcasting Operations to continue increased broadcasting to Tibet.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DISASTER ASSISTANCE

The budget request included \$80,000,000 for International Disaster Assistance. The Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) provided \$110,000,000 for emergency humanitarian requirements.

The amended bill includes \$220,000,000 for International Disaster Assistance, which is \$220,000,000 above the pending request. These funds should be used to respond to urgent humanitarian requirements worldwide, including in Burma, Bangladesh, the People's Republic of China, and countries severely affected by the international food crisis.

USAID is directed to substantially increase food assistance for Haiti to address critical food shortages and malnutrition. Preventing hunger and combating poverty in Haiti should be a USAID priority.

As the State Peace and Development Council (SPDC) has compounded the humanitarian crisis in Burma by failing to respond to the needs of the Burmese people in the wake of Cyclone Nargis and by refusing offers of assistance from the international community, the Department of State and USAID should seek to avoid providing assistance to or through the SPDC.

The amended bill also includes funds under this heading and the heading "Development Assistance" in subchapter B to help address the international food crisis. Programs should address both rural and urban food requirements.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The budget request included \$61,800,000 for Operating Expenses of the United States Agency for International Development, of which \$20,800,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) for operations in Iraq.

The amended bill includes \$150,500,000 for Operating Expenses of the United States Agency for International Development.

Of the funds provided under this heading, the amended bill includes \$41,000,000 to continue support for security needs in Iraq and Afghanistan, which is the same as the request. In addition, \$30,000,000 is included to increase support for staffing, security, and operating needs in Afghanistan and Sudan, and \$19,500,000 in Pakistan.

The amended bill also includes \$25,000,000 to support the development and deployment of a civilian capacity to respond to post-conflict stabilization and reconstruction needs. Funds made available for the civilian stabilization initiative are for the Active and Standby Response Corps portion of the initiative and none of the funds provided in this Act may be used to develop the Civilian Response Corps. Additional funding for this initiative is provided in the "Diplomatic and Consular Programs" account for the Department of State portion of the initiative.

In addition, the amended bill includes \$35,000,000 to enable USAID to hire above attrition in fiscal year 2008. The Administration's request for fiscal year 2009 includes \$92,000,000 for hiring 300 USAID foreign service officers as part of a three-year initiative. Funding provided in this Act is intended to support the hiring of additional Foreign Service officers in fiscal year 2008 in order to begin rebuilding the capacity of the Agency to carry out its mission. USAID is directed to consult with the Committees on Appropriations on the use of these funds and to recruit mid-career personnel. As USAID seeks to strengthen its workforce, USAID is encouraged to consult with the Department of Defense on ways to benefit from the experience of retiring officers, including establishment of a transition program.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF INSPECTOR GENERAL

The amended bill includes an additional \$4,000,000 for the United States Agency for International Development Office of Inspector General to support increased oversight of programs in Iraq and Afghanistan.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The budget request included \$2,217,000,000 for Economic Support Fund (ESF), of which \$208,000,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) for emergency requirements in the West Bank and in North Korea, as requested.

The amended bill includes \$1,882,500,000 for ESF, which is \$126,500,000 below the request. An additional \$75,000,000 is provided under the heading Democracy Fund for political development programs for Iraq. Funds are to be allocated as follows:

ECONOMIC SUPPORT FUND

(\$ in thousands)

| Country and Region | Amended bill |
|---------------------------------------|-------------------------|
| Afghanistan..... | 859,000 |
| Bangladesh..... | 25,000 |
| Central America..... | 25,000 |
| Central African Republic..... | 1,000 |
| Chad..... | 2,000 |
| Democratic Republic of the Congo..... | 12,500 |
| Iraq..... | 424,000 |
| Jordan..... | 175,000 |
| Kenya..... | 12,000 |
| Mexico..... | 20,000 |
| Nepal..... | 7,000 |
| North Korea..... | 53,000 |
| Philippines..... | 15,000 |
| Sri Lanka..... | 6,000 |
| Sudan..... | 45,000 |
| Thailand..... | 2,500 |
| Uganda..... | 17,500 |

| | |
|-------------------------|------------------|
| West Bank and Gaza..... | 171,000 |
| Zimbabwe..... | 5,000 |
| Exchanges Africa..... | 5,000 |
| Total | 1,882,500 |

Iraq.—The amended bill includes \$424,000,000 for Iraq, which is \$373,000,000 below the request. The sums provided enable the Department of State and USAID to continue programs in Iraq through the end of fiscal year 2008 and into the first two quarters of fiscal year 2009. After providing more than \$45,000,000,000 to help rebuild Iraq, the United States should reduce bilateral assistance levels and reduce the number of Department of State personnel involved in the reconstruction effort who are located in Iraq. Funds provided for Iraq are to be allocated as follows:

IRAQ PROGRAMS
(\$ in thousands)

| Activity | Pending Request | Amended Bill | Change from Request |
|--|-----------------|----------------|---------------------|
| Provincial Reconstruction Teams (PRTs) | 165,000 | 139,000 | -26,000 |
| <i>Provincial Reconstruction Development Councils</i> | 100,000 | 85,000 | -15,000 |
| <i>Local Governance Program</i> | 65,000 | 54,000 | -11,000 |
| Community Stabilization Program (CSP) | 155,000 | 100,000 | -55,000 |
| Community Action Program (CAP) | 0 | 75,000 | 75,000 |
| Infrastructure Security Protection for Oil, Water and Electricity | 70,000 | 0 | -70,000 |
| Operations and Maintenance of Key USG-Funded Infrastructure | 134,000 | 10,000 | -124,000 |
| Iraqi-American Enterprise Fund | 25,000 | 0 | -25,000 |
| Provincial Economic Growth (<i>including Agriculture and Microfinance</i>) | 0 | 25,000 | 25,000 |
| National Capacity Development | 248,000 | 70,000 | -178,000 |
| Marla Fund | 0 | 5,000 | 5,000 |
| Total | 797,000 | 424,000 | -373,000 |

Community Action Program (CAP).—The amended bill includes \$75,000,000 for continued support for the Community Action Program.

Community Stabilization Program (CSP).—The amended bill includes \$100,000,000 for the CSP, which is \$55,000,000 below the request. Recent findings of a March 18, 2008 USAID Inspector General audit (E-267-08-001-P) of possible fraud and misuse of some CSP funds are of concern. Therefore the amended bill withholds 50 percent of funding until the Secretary of State certifies and reports that USAID is implementing recommendations contained in the audit to ensure proper use of funds.

Enterprise Fund.—The amended bill does not include any funding for the creation, capitalization, operation, or support of any enterprise fund in Iraq. The Department of State is directed not to reprogram any funds made available by this or prior Acts for an enterprise or enterprise-related fund in Iraq.

Infrastructure Security Protection for Oil, Water, and Electricity.—The amended bill does not include funding for these functions, which should be supported by the Government of Iraq.

Marla Ruzicka Iraqi War Victims Fund.—The amended bill includes \$5,000,000 for the Marla Ruzicka Iraqi War Victims Fund for continued assistance for Iraqi civilians who suffer losses as a result of the military operations.

National Capacity Development (NCD).—Within the amount provided in ESF for Iraq, \$70,000,000 is provided for NCD, which is \$178,000,000 below the request. The Government of Iraq should assume increasing responsibility for the cost of these activities.

Operations and Maintenance of Key U.S. Government-Funded Infrastructure.—The amended bill includes \$10,000,000 for operations and maintenance of key United States government-funded infrastructure, which is \$124,000,000 below the request. These functions should be funded by the Government of Iraq and this Act includes sufficient funding to allow the United States to provide technical assistance and training. In addition, the amended bill conditions the funds on the signing and implementation of an asset transfer agreement between the United States and Iraq.

Provincial Economic Growth.—The amended bill includes \$25,000,000 for provincial economic growth activities.

Vulnerable Groups.—Up to \$10,000,000 of funds made available for Iraq in this chapter, including from the Migration and Refugee Assistance and International Disaster Assistance accounts, should be made available for programs to assist vulnerable Iraqi religious and ethnic minority groups, including Christians. The Secretary of State should designate staff at United States Embassy Baghdad to oversee and coordinate such assistance.

Afghanistan.—The amended bill includes \$859,000,000 in ESF for Afghanistan, which is \$25,000,000 above the request. USAID is directed to review its reconstruction efforts in Afghanistan; focus its assistance, including capacity building, through local Afghan entities; give greater attention to accountability and monitoring to minimize corruption; and emphasize programs which directly improve the economic, social, and political status of Afghan women and girls. Funds provided for Afghanistan are to be allocated as follows:

AFGHANISTAN PROGRAMS
(\$ in thousands)

| Activity | Pending Request | Amended bill | Change from Request |
|--|------------------------|---------------------|----------------------------|
| Civilian Assistance Program | 0 | 10,000 | +10,000 |
| Governance and Capacity Building | 135,000 | 165,000 | +30,000 |
| 2009 Elections | 100,000 | 70,000 | -30,000 |
| National Solidarity Program | 40,000 | 65,000 | +25,000 |
| Health and Education | 50,000 | 75,000 | +25,000 |
| North Atlantic Treaty Organization POHRF | 0 | 2,000 | +2,000 |
| Power | 175,000 | 150,000 | -25,000 |
| Provincial Reconstruction Teams (PRTs)/Provincial Governance | 0 | 50,000 | +50,000 |
| Roads | 329,000 | 200,000 | -129,000 |
| Rural Development/Alternative Livelihoods | 0 | 65,000 | +65,000 |
| Trade and Investment | 5,000 | 7,000 | +2,000 |
| Total | 834,000 | 859,000 | 25,000 |

Civilian Assistance.—The amended bill includes \$10,000,000 for USAID's Afghan Civilian Assistance Program to continue assistance for civilians who have suffered losses as a result of the military operations, and \$2,000,000 for the NATO/ISAF Post-Operations Humanitarian Relief Fund.

Governance and Capacity Building.—The amended bill provides \$165,000,000 for governance and capacity building programs, which is \$30,000,000 above the request, to fund rule of law, human rights, and local and national capacity building.

National Solidarity Program.—The amended bill includes \$65,000,000 for the National Solidarity Program to support small-scale development initiatives. The funding shall be programmed in a manner consistent with the Afghan National Development Strategy.

Power.—The amended bill includes \$150,000,000 for power, which is \$25,000,000 below the request. The request includes funding for gas and diesel power projects and there is a concern that diesel generators are costly to maintain and will exacerbate Kabul's already heavily polluted air. The completion of the north-south transmission line to enable Afghanistan to purchase electricity from its northern neighbors for distribution to other areas of the country is supported. Funding for the Northern Electrical Power System or the Shebergan Gas-Fired Plant is not included. The World Bank should play a larger role in financing such infrastructure projects.

It is noted that Afghanistan has considerable potential for small hydro and solar power development to service Afghanistan's many remote communities that have no other access to electricity, and not less than \$15,000,000 of the funds shall be used for renewable energy projects in rural areas.

Provincial Reconstruction Teams.—The amended bill provides \$50,000,000 for PRTs in Afghanistan.

Roads.—The amended bill includes \$200,000,000 for roads, which is \$129,000,000 below the request.

Rural Development and Alternative Livelihoods.—The amended bill includes \$65,000,000 for rural development and alternative livelihood programs and an additional \$35,000,000 for counternarcotics under the “International Narcotics Control and Law Enforcement” account to expand counternarcotics programs in Afghanistan. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

2009 Elections.—The amended bill includes \$70,000,000 for preparations for the 2009 elections.

Bangladesh.—The amended bill includes \$25,000,000 for assistance for Bangladesh for cyclone recovery and reconstruction assistance.

Central America.—The amended bill includes \$25,000,000 for the countries of Central America in fiscal year 2008, in addition to funds otherwise made available for assistance for these countries, for a program to be called the “Economic and Social Development Fund for Central America”, of which \$20,000,000 is to be administered by USAID, in consultation with the Department of State. The purpose of the program is to promote economic and social development and good governance in targeted, low-income areas, including rural communities that are particularly vulnerable to drug trafficking and related violence and organized crime. These funds should support programs that emphasize community initiatives and public-private partnerships. United States funds should be matched with contributions from public and private sources to the maximum extent practicable. USAID is directed to consult with the Committees on Appropriations prior to the obligation of these funds. Of the funds available, \$5,000,000 shall be administered by the Bureau of Educational and Cultural Affairs for educational exchanges with the countries of Central America.

Democratic Republic of the Congo.—The amended bill includes \$12,500,000 for assistance for eastern Democratic Republic of the Congo for urgent conflict mitigation and recovery programs and for programs relating to sexual violence against women and girls. Of this amount, not less than \$1,000,000 is to establish and support a training center for health workers who provide care and treatment for victims of sexual violence, and not less than \$2,000,000 is for training military and civilian investigators, prosecutors, and judges to bring the perpetrators of such crimes to justice.

Exchanges with Africa.—The amended bill includes \$5,000,000 for educational exchanges with countries in Africa, specifically to counter extremism. These funds should be administered by the Bureau of Educational and Cultural Affairs.

Jordan.—The amended bill includes a total of \$200,000,000 for economic assistance for Jordan, of which \$175,000,000 is appropriated under this heading, and \$25,000,000 is appropriated through a general provision. The Government of Jordan remains a key ally

and has played a leading role in supporting peace initiatives in the Middle East. Programming of these resources should be done in consultation with the Government of Jordan and refugee relief organizations and funds should be used to meet the needs of Iraqi refugees. The Secretary of State, after consultation with the Government of Jordan, the United Nations, and international organizations and non-governmental organizations with a presence in Iraq, is directed to submit a report to the Committees on Appropriations not later than 45 days after enactment of this Act detailing (1) short- and medium-term options the United States and other countries and organizations could pursue to assist Iraqis in Jordan to maintain their educational and vocational skills and earn income; and (2) longer term options that the United States and the Government of Jordan can take to address the economic, social and health needs of refugees from Iraq, including the feasibility of extending temporary residence status for Iraqis registered with the United Nations High Commissioner for Refugees.

Kenya.—The amended bill includes \$12,000,000 for assistance for Kenya for political, ethnic and tribal reconciliation activities.

Mexico.—The amended bill includes \$20,000,000 for assistance for Mexico for institution building and support of civil society. Funding for these purposes was requested through the International Narcotics and Law Enforcement (INCLE) account. The amended bill includes \$5,000,000 for human rights training for police, prosecutors, and prison officials; \$3,000,000 for victim and witness protection; and \$3,000,000 to support NGOs and civil society. The amended bill also includes \$5,000,000 for a literacy program for local police. USAID is encouraged to work with non-governmental organizations, civil society, and local police to replicate the literacy program being implemented in Nezahualcoyotl, Mexico. The amended bill also includes funding for the Office of the UN High Commissioner for Human Rights in Mexico (OHCHR). The Department of State is directed to work with the Mexican Government, the OHCHR, and civil society organizations in Mexico to promote respect for human rights by Mexican police and military forces.

Nepal.—The amended bill includes \$7,000,000 for assistance for Nepal to strengthen democracy and support the peace process, including the demobilization and reintegration of ex-combatants, and for economic development programs in rural communities affected by conflict.

North Korea.—The amended bill includes up to \$53,000,000 for energy-related assistance for North Korea in support of the goals of the Six-Party Talks Agreement, in addition to the \$53,000,000 appropriated in division J of Public Law 110-161, which is the same as the total amount requested. Prior to the obligation of assistance for North Korea, the Secretary of State is directed to report to the Committees on Appropriations that North Korea is continuing to fulfill its commitments under the Six-Party Talks Agreement.

Pakistan.—The amended bill does not include funding for assistance for Pakistan in this subchapter. These needs are addressed in funding appropriated in the fiscal year 2009 bridge.

Philippines.—The amended bill includes \$15,000,000 for assistance for the Philippines for programs to further peace and reconciliation in the southern Philippines, and recognizes the shared interest between the United States and the Philippines in combating terrorism in this region.

Sri Lanka.—The amended bill includes \$6,000,000 for assistance for Sri Lanka to be provided through USAID to support economic development programs in the eastern region of Sri Lanka to solidify recent gains against the Liberation Tigers of Tamil Eelam. These funds should be used to assist Tamil and Muslim minorities in Sri Lanka.

Sudan.—The amended bill includes \$45,000,000 for assistance for Sudan to support election-related activities.

Thailand.—The amended bill includes \$2,500,000 for assistance for Thailand to address economic and social development needs in southern Thailand. The Department of State is directed to consult with the Committees on Appropriations prior to the obligation of these funds.

Uganda.—The amended bill includes \$17,500,000 for assistance for northern Uganda. These funds should be used to support economic development, governance, assistance for war victims, and reintegration of ex-combatants.

West Bank and Gaza.—The amended bill includes not more than \$171,000,000 for economic assistance for the West Bank and Gaza, which is \$24,000,000 below the request. The Department of State is directed to provide a report to the Committees on Appropriations not later than 90 days after the enactment of this Act on how United States economic assistance for the West Bank supports the larger Palestinian Reform and Development Plan as well as a description of other donor support of this plan. The report should describe how assistance from the United States and other donors will improve conditions in the West Bank, including through job creation and housing programs.

Zimbabwe.—The amended bill includes \$5,000,000 for assistance for Zimbabwe to support political reconciliation activities.

DEPARTMENT OF STATE

DEMOCRACY FUND

The amended bill includes \$76,000,000 for Democracy Fund programs, requested under the heading “Economic Support Fund”, to be made available as follows:

Chad.—The amended bill includes \$1,000,000 for democracy activities in Chad.

Iraq.—The amended bill includes \$75,000,000 for democracy activities in Iraq. These funds are intended to be available through nongovernmental organizations, including the National Endowment for Democracy, and not less than \$8,000,000 for the United States Institute of Peace. These funds should be awarded expeditiously to prevent interruption of current operations.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The amended bill includes \$390,300,000 for International Narcotics Control and Law Enforcement (INCLE) activities in Afghanistan, Iraq, Mexico, Central America, Haiti, the Dominican Republic, and the West Bank, which is \$343,700,000 below the request. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

Iraq.—The amended bill includes \$85,000,000 for Iraq for justice and rule of law programs, which is \$74,000,000 below the request. Funding for prison construction is not included.

Afghanistan.—The amended bill includes \$35,000,000, which is \$35,000,000 above the request, to support programs to strengthen counternarcotics efforts, to improve the training of the Afghan police, including border police, to advance the development of institutional capacity professionalism of the justice sector, and to help facilitate cooperation between the police and the judiciary at both the national and regional levels. The Department of State is directed to report to the Committees on Appropriations not later than 180 days after enactment of this Act on the level of counternarcotics cooperation by the Government of Afghanistan at the national and regional level and should detail, nationally and by province, the steps that the Government of Afghanistan is taking to arrest and prosecute leaders of Afghan drug cartels; disarm and disband private militias; and end corruption among national and provincial police forces.

Central America.—The amended bill includes \$24,800,000 for assistance for Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama, and an additional \$5,000,000 for Haiti and the Dominican Republic under the Merida Initiative. Although funding was requested only through the INCLE account, funding for the Merida Initiative is provided in the accounts from which such activities are traditionally funded. The amended bill provides funding for specialized police training and non-lethal equipment to strengthen the law enforcement and criminal justice institutions for the purpose of combating drug trafficking and related violent crime and increasing the capacity and professionalism of Central American police forces.

Impunity within the military and police forces of several of these countries and corruption within their justice systems is of concern. The Secretary of State is directed to submit a report in writing on mechanisms in place to ensure eligibility of recipients of United States assistance.

The omission of Haiti and the Dominican Republic from the request for the Merida Initiative makes it more likely that these vulnerable countries would become increasingly

avored transit routes for drug traffickers. The amended bill includes \$2,500,000 for Haiti and \$2,500,000 for the Dominican Republic as part of the Merida Initiative to support counternarcotics and border security programs, anti-corruption, judicial reform, institution-building, and rule of law programs.

Mexico.—There is a shared responsibility between the United States and Mexico to combat drug trafficking and related violence and organized crime. The amended bill includes \$215,500,000 to support programs to enable the Government of Mexico to respond to these threats in accordance with the rule of law. The amended bill includes \$10,000,000 for demand reduction and drug rehabilitation activities; \$3,000,000 to provide technical and other assistance to enable the Government of Mexico to put into service a unified national police registry; and not more than \$24,000,000 for program development and support. To the extent possible, any equipment and technology purchases should be interoperable based on open standards with the equipment and technology being used by their United States Government counterparts.

Corruption and impunity within Mexico's military and police forces are of concern. Recommendations of the National Human Rights Commission have been ignored and investigations of violations of human rights by Mexican military and police forces rarely result in convictions. The Secretary of State, in consultation with relevant Mexican Government authorities, is directed to report to the Committees on Appropriations that mechanisms are in place to ensure eligibility of recipients of United States assistance.

There is concern with the failure to investigate and prosecute the police officers responsible for human rights violations, including rape and sexual violence against women, at San Salvador Atenco on May 3-4, 2006, and in Oaxaca between June and December, 2006. These and other such violations by members of the Mexican military and police forces have been documented and require thorough, credible and transparent investigation and prosecution by the Mexican Attorney General.

The state and Federal investigations into the October 27, 2007, killing in Oaxaca of American citizen Bradley Will have been flawed and the Secretary of State is directed, not later than 45 days after enactment of this Act and 120 days thereafter, to submit a report to the Committees on Appropriations detailing progress in conducting a thorough, credible, and transparent investigation to identify the perpetrators of this crime and bring them to justice. The Department of State should work with Mexican Government authorities and relevant Federal government agencies of the United States to assist in the investigation of this case.

West Bank.—The amended bill includes \$25,000,000 for ongoing training of vetted units of the Palestinian National Security Forces, which is the same as the request.

MIGRATION AND REFUGEE ASSISTANCE

The budget request included \$230,000,000 for Migration and Refugee Assistance, of which \$200,000,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) for emergency refugee requirements in Iraq and the West Bank and Gaza.

The amended bill includes \$315,000,000 for Migration and Refugee Assistance, which is \$285,000,000 above the pending request. Funds should be made available to meet unmet global refugee needs, including to assist Iraqi refugees in Jordan, Syria, Lebanon, Turkey, Egypt, and the surrounding region, as well as internally displaced persons in Iraq. Funds may also be used, if necessary, for the admissions costs of Iraqis granted special immigrant status under the Special Immigrant Visa program authorized by the National Defense Authorization Act of 2008. In addition, funds may be used to offset administrative costs associated with the expanded requirements of the Iraqi refugee program, in consultation with the Committees on Appropriations.

The humanitarian crisis involving Iraqi refugees and internally displaced persons is of concern and the Government of Iraq has dedicated insufficient resources to assist this most vulnerable segment of the Iraqi population. The Department of State shall urge the Government of Iraq to provide a substantial increase in funding for humanitarian assistance to the Iraqi refugee population residing in the region and within the country. In addition, the Secretary of State should ensure that the Senior Coordinator for Iraqi Refugee Issues gives particular attention to the needs of vulnerable minority groups, including ethnic and religious minorities.

The welfare and security of the 7,900 Lao Hmong in the Thai military camp in Petchaboon, northern Thailand is of concern and the Department of State is directed to urge the Government of Thailand to support a transparent screening process to identify those who have a legitimate fear of return to Laos. Any attempt to force the return of Hmong refugees to Laos is strongly opposed.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

The amended bill includes \$31,000,000 for the United States Emergency Refugee and Migration Assistance Fund to prevent depletion of this emergency fund.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The amended bill includes \$13,700,000 for Nonproliferation, Anti-terrorism, Demining and Related Programs (NADR), which is \$8,700,000 above the request.

Of these funds, \$5,000,000 is for presidential protective service support in Afghanistan, which is the same as the request, and \$2,500,000 is for a United States contribution to the Comprehensive Test Ban Treaty International Monitoring System.

Central America.—The amended bill also includes \$6,200,000 for the Merida Initiative for the countries of Central America, which is \$6,200,000 above the request. Although funding for these purposes was requested only through the INCLE account, funding has been provided in the NADR account, from which such activities are traditionally funded.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The amended bill includes \$137,500,000 for Foreign Military Financing Program, which is \$137,500,000 above the request.

Central America.—The amended bill includes \$4,000,000 to augment the ongoing naval cooperation program and maritime security assistance to strengthen the ability of the countries of Central America to improve maritime security and interdiction capabilities, including to complement existing regional systems and programs.

Jordan.—The amended bill includes a total of \$50,000,000 for military assistance for Jordan, of which \$17,000,000 is appropriated under this heading and \$33,000,000 is appropriated through a general provision.

Mexico.—The amended bill includes \$116,500,000 in support of military-to-military cooperation between the United States and Mexico.

SUBCHAPTER B—BRIDGE FUND SUPPLEMENTAL APPROPRIATIONS FOR
FISCAL YEAR 2009

The budget request totals \$3,605,000,000 in emergency supplemental funds for fiscal year 2009. The amended bill provides a total of \$3,679,500,000 for the Department of State, Foreign Operations and Related Programs for fiscal year 2009 emergency supplemental requirements, which is \$74,500,000 above the request.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The amended bill includes \$704,900,000 for Diplomatic and Consular Programs. Within this amount, \$78,400,000 is available for worldwide security protection and not more than \$550,500,000 is available as a bridge fund for Iraq operations.

To meet increased security and personnel requirements, the amended bill includes \$89,400,000 for Afghanistan, \$7,000,000 for Pakistan, \$3,000,000 for Somalia, and \$15,000,000 for Sudan. In addition, the amended bill includes \$40,000,000 to continue the support of new positions to develop language and other critical skills of the diplomatic corps and for civilian post-conflict stabilization initiatives.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes \$57,000,000 for Office of Inspector General at the Department of State, of which \$15,500,000 is to continue oversight of programs in Iraq and Afghanistan, and the Middle East.

Special Inspector General for Iraq Reconstruction (SIGIR).—The amended bill includes \$36,500,000 for SIGIR for continued oversight of United States reconstruction programs in Iraq, as authorized by section 3001 of Public Law 108-106.

Special Inspector General for Afghanistan Reconstruction (SIGAR).—The amended bill includes \$5,000,000 for SIGAR, which is \$5,000,000 above the request, and which is authorized by section 1229 of Public Law 110-181. Such funds shall be used for oversight of United States reconstruction programs in Afghanistan. None of the funds shall be used to duplicate investigations that have been conducted or to support offices or systems of inspectors general at the Department of State or USAID. SIGAR should co-locate staff and “back office” support systems with other inspectors general to the extent feasible.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The amended bill includes \$41,300,000 for urgent embassy security, construction, and maintenance costs. Funds should be used to construct safe and secure office space for the increasing number of diplomatic and development personnel living and working in Kabul, Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The amended bill includes \$75,000,000 for Contributions to International Organizations.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The amended bill includes \$150,500,000 for Contributions for International Peacekeeping Activities to fund the Administration’s revised estimate of the United States-assessed contribution to international peacekeeping.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The amended bill includes \$6,000,000 for International Broadcasting Operations.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

GLOBAL HEALTH AND CHILD SURVIVAL

The amended bill includes \$75,000,000 for Global Health and Child Survival to continue programs to combat avian influenza.

DEVELOPMENT ASSISTANCE

The amended bill includes \$200,000,000 for Development Assistance, which is for a new Food Security Initiative to promote food security in countries affected by significant food shortages, such as programs to assist farmers to increase crop yields, including in Darfur. Of this amount, up to \$50,000,000 should be used for local and regional purchase. The Secretary of State is directed to submit a report to the Committees on Appropriations not later than 45 days after enactment of this Act, and prior to the initial obligation of funds, on the proposed uses of funds to alleviate starvation, hunger, and malnutrition overseas, including a list of those countries facing significant food shortages.

INTERNATIONAL DISASTER ASSISTANCE

The amended bill includes \$200,000,000 for International Disaster Assistance to meet urgent humanitarian requirements worldwide, including support for critical needs in Bangladesh, Burma, and the People's Republic of China. A portion of these funds should be used for assistance for internally displaced persons in Iraq and Afghanistan. In addition, funds are available under this heading to assist in the response to the international food crisis.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The amended bill includes \$93,000,000 for Operating Expenses of the United States Agency for International Development to address staffing, security, and operating needs.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

The amended bill includes \$1,000,000 for Operating Expenses of the United States Agency for International Development Office of Inspector General.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The amended bill includes \$1,124,800,000 for Economic Support Fund to address critical health, economic, and security needs. These funds are to be allocated as follows:

ECONOMIC SUPPORT FUND (\$ in thousands)

| Country and Region | Amended Bill |
|--|---------------------|
| Afghanistan..... | 455,000 |
| Bangladesh..... | 50,000 |
| Burma..... | 5,300 |
| Central African Republic..... | 2,000 |
| Chad..... | 5,000 |
| Democratic Republic of the Congo | 10,000 |
| Iraq..... | 102,500 |
| Jordan..... | 100,000 |
| Kenya..... | 25,000 |
| North Korea..... | 15,000 |
| Pakistan..... | 150,000 |
| Sudan..... | 25,000 |
| Uganda..... | 15,000 |
| West Bank and Gaza..... | 150,000 |
| Zimbabwe..... | 15,000 |
| Total | 1,124,800 |

Afghanistan.—The amended bill includes \$455,000,000 for assistance for Afghanistan.

Governance and Capacity Building.—The amended bill includes \$20,000,000 for the National Solidarity Program to support small-scale development initiatives; and not less than \$35,000,000 for preparations for the 2009 elections. The funding shall be programmed in a manner consistent with the Afghan National Development Strategy.

Rural Development and Alternative Livelihoods.—The amended bill includes not less than \$35,000,000 for rural development and alternative livelihoods.

Bangladesh.—The amended bill includes \$50,000,000 for cyclone recovery and reconstruction assistance.

Burma.—The amended bill includes \$5,300,000 for assistance for Burma for humanitarian programs along the Thai-Burma border.

Iraq.—The amended bill includes \$102,500,000 for assistance for Iraq.

Community Action Program (CAP).—The amended bill includes \$32,500,000 for continued support for the Community Action Program.

Community Stabilization Program (CSP).—The amended bill includes \$32,500,000 for continued support for the Community Stabilization Program.

Marla Ruzicka Iraqi War Victims Fund.—The amended bill includes \$2,500,000 for the Marla Ruzicka Iraqi War Victims Fund for continued assistance for Iraqi civilians who suffer losses as a result of the military operations.

Provincial Reconstruction Teams (PRTs).—The amended bill includes \$35,000,000 for continued support for the Provincial Reconstruction Teams.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The amended bill includes \$199,000,000 for International Narcotics Control and Law Enforcement activities in Iraq, Afghanistan, the West Bank, Mexico, and Africa. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

MIGRATION AND REFUGEE ASSISTANCE

The amended bill includes \$350,000,000 for Migration and Refugee Assistance to respond to urgent humanitarian and refugee admissions requirements, including those involving refugees from Iraq, Afghanistan, and central Africa.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING, AND RELATED PROGRAMS

The amended bill includes \$4,500,000 for Nonproliferation, Anti-terrorism, Demining and Related Programs, for humanitarian demining in Iraq.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The amended bill includes \$302,500,000 for Foreign Military Financing Program, of which \$100,000,000 is for assistance for Jordan, \$170,000,000 is for assistance for Israel, and \$32,500,000 is for assistance for Lebanon.

PEACEKEEPING OPERATIONS

The amended bill includes \$95,000,000 for Peacekeeping Operations for programs in Africa to address needs beyond those projected in the fiscal year 2009 budget request, including for Darfur and \$10,000,000 for Peacekeeping Operations in the Democratic Republic of the Congo (DRC). These funds are made available to support infantry battalions of the DRC armed forces, to protect vulnerable civilians in the eastern region of the country, and should be made available in accordance with thorough vetting procedures. The Department of State should ensure that trained units are being provided professional leadership, appropriate training in human rights, and adequate pay.

SUBCHAPTER C—GENERAL PROVISIONS, THIS CHAPTER

The amended bill includes the following general provisions for this chapter:

EXTENSION OF AUTHORITIES

Section 1401 extends certain authorities necessary to expend Department of State and foreign assistance funds.

IRAQ

Section 1402 imposes certain conditions and limitations on assistance for Iraq and requires reports.

AFGHANISTAN

Section 1403 imposes certain conditions and limitations on assistance for Afghanistan and requires a report.

WEST BANK

Section 1404 directs the Department of State to provide a report to the Committees on Appropriations not later than 90 days after enactment of this Act, and 180 days thereafter, on the Palestinian security assistance program.

WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA

Section 1405 grants waiver authority to the President with respect to certain assistance to North Korea and the “Glenn Amendment,” which established automatic sanctions in the Arms Export Control Act on non-nuclear weapon states that detonate a nuclear device.

MEXICO

Section 1406 sets a ceiling on funding for Mexico at \$400,000,000. The provision also provides a restriction on the use of funding for budget support or cash payments and restricts obligation of 15 percent of the funding provided under the headings “Foreign Military Financing Program” and “International Narcotics Control and Law Enforcement” until the Secretary of State submits a report in writing.

CENTRAL AMERICA

Section 1407 states that \$65,000,000 may be made available for the countries of Central America, Haiti and the Dominican Republic and prohibits the use of funding for budget support or cash payments. The provision restricts obligation of 15 percent of the

funding provided under the headings “Foreign Military Financing Program” and “International Narcotics Control and Law Enforcement” for the military and police forces until the Secretary of State submits a report in writing.

BUYING POWER MAINTENANCE ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Section 1408 provides authority to utilize \$26,000,000 from appropriations for Diplomatic and Consular Programs from a prior Act and authority to transfer up to an additional \$74,000,000 of the funds made available by this Act to the Buying Power Maintenance Account to manage exchange rate losses in fiscal year 2008. The Department of State shall consult on any proposed transfers resulting from this authority. The Department of State estimates the impact of currency fluctuations to be at least \$260,000,000 on United States diplomatic operations worldwide.

In addition, the provision includes authority to transfer unobligated and expired balances after fiscal year 2008 into the Buying Power Maintenance Account to address future exchange rate losses. The Secretary of State shall submit a report to the Committees on Appropriations not later than October 15, 2008 on the amount transferred by this authority in this or any fiscal year, the total amount of exchange rate losses in fiscal year 2008, and the accumulated impact of losses from prior years.

Finally, authority is granted to the Broadcasting Board of Governors to transfer unobligated and expired balances after fiscal year 2008 into its Buying Power Maintenance Account.

SERBIA

Section 1409 authorizes the Secretary of State to withhold funds related to reimbursement of costs associated with damage to the United States Embassy in Belgrade resulting from the February 21, 2008 attack.

RESCISSIONS

Section 1410 rescinds prior year funds and makes them available for a contribution to the World Food Program and for programs in the INCLE account. The provision also rescinds prior year funds from the Iraq Relief and Reconstruction Fund.

DARFUR PEACEKEEPING

Section 1411 authorizes the President to utilize prior year Foreign Military Financing Program and Peacekeeping Operations funds for transfer or lease of helicopters or related equipment necessary for operations of the AU/UN hybrid peacekeeping mission in Darfur.

TIBET

Section 1412 provides up to \$5,000,000 for the establishment of a United States Consulate in Lhasa, Tibet, under the headings “Diplomatic and Consular Programs” and “Embassy Security, Construction and Maintenance” in this and prior Acts, and recommends certain actions regarding the opening of such a consulate.

The Secretary of State is directed to submit a report to the Committees on Appropriations not later than 90 days after enactment of this Act detailing efforts taken by the Department of State to establish a United States Consulate in Lhasa, Tibet and a description of any policies or programs by the Government of the People's Republic of China aimed at undermining public support for Tibet including in the media, academia, and political arenas.

JORDAN

(INCLUDING RESCISSION OF FUNDS)

Section 1413 provides \$58,000,000 for assistance for Jordan, which is offset by a rescission of an equal amount from the Millennium Challenge Corporation.

ALLOCATIONS

Section 1414 requires that funds in the specified accounts shall be allocated as indicated in the respective tables in this explanatory statement. Any change to these allocations shall be subject to the regular notification procedures of the Committees on Appropriations.

REPROGRAMMING AUTHORITY

Section 1415 allows for reprogramming of funds made available in prior years to address critical food shortages, subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

SPENDING PLANS AND NOTIFICATION PROCEDURES

Section 1416 requires the Secretary of State to provide detailed spending plans to the Committees on Appropriations on the uses of funds appropriated in subchapters A and B. These funds are also subject to the regular notification procedures of the Committees on Appropriations.

TERMS AND CONDITIONS

Section 1417 establishes that unless designated otherwise in this chapter, the terms and conditions contained within the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110-161) shall apply to funds appropriated by this chapter, with the exception of section 699K.

TITLE II – DOMESTIC MATTERS

CHAPTER 1—FOOD AND DRUG ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The amended bill provides an additional \$150,000,000 for Food and Drug Administration, Salaries and Expenses, available until September 30, 2009. FDA is directed to provide the Committees on Appropriations monthly expenditures reports on the use of these funds.

CHAPTER 2—COMMERCE, JUSTICE, AND SCIENCE

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes \$210,000,000 for increased costs associated with the poor management of the 2010 Decennial Census. Within the funds provided, not less than \$50,300,000 shall be used to restore funding associated with the approved March 26, 2008 reprogramming within the Bureau of Census. Funds transferred pursuant to the reprogramming to address immediate shortfalls within the Field Data Collection Automation contract from the American Community Survey, Census Coverage Measurement activities, and other Census activities may result in increased risk and other unintended consequences to other parts of the Census. The \$50,300,000 shall be available solely to complete previously planned activities and address vacancies in the aforementioned areas in order to reduce risk and ensure a successful 2010 Decennial Census.

The Census Bureau shall submit to the Committees on Appropriations of the Senate and the House of Representatives, within 30 days of enactment of this Act, a detailed plan showing a timeline of milestones and expenditures for the 2010 Decennial Census, and shall include a quantitative assessment of the associated risk to the program as it is currently constituted. In addition, the Inspector General shall submit quarterly reports to the Committees on Appropriations, until the conclusion of the 2010 Decennial Census, detailing the progress of the revised plan for the execution of the 2010 Decennial Census and any unanticipated slippages from the revised 2010 milestones, as well as reassessing the associated risk to the program. The Census Bureau is directed to provide the Inspector General with any required information so that the quarterly reports can begin 60 days after submission of the plan.

Because rising costs associated with the 2010 Decennial Census and the Department's and the Bureau's lack of contract oversight are cause for particular concern, the bill includes not less than \$3,000,000 for the Department's Office of the Inspector General for Census contract oversight activities and not less than \$1,000,000 solely for a reimbursable agreement with the Defense Contract Management Agency to review and improve Census contract management.

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The amended bill includes \$178,000,000 for additional costs of the Bureau of Prisons (BOP) related to the custody and care of inmates and the maintenance and operation of correctional and penal institutions. The BOP has been chronically underfunded in recent budget requests, due to consistently underestimated growth in inmate populations and inadequate funding requests for medical expenses. As a result, BOP facilities face rising staff-to-inmate ratios, placing corrections officers and inmates at unacceptable risk of violence. The amended bill includes funding for FCI Pollock activation costs and for inmate drug abuse treatment required by law. The Administration is urged to re-estimate BOP fixed costs and prisoner population for fiscal year 2009 and to provide the House and Senate Committees on Appropriations with those estimates no later than August 1, 2008. Further, the BOP is directed to notify the Committees of current staff-to-inmate ratios at all Federal prisons on a monthly basis.

OTHER AGENCIES

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SCIENCE, AERONAUTICS AND EXPLORATION

The amended bill includes \$62,500,000 for Science, Aeronautics and Exploration.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

The amended bill includes \$22,500,000 for Research and Related Activities, of which \$5,000,000 shall be available solely for activities authorized by section 7002(b)(2)(A)(iv) of Public Law 110-69.

EDUCATION AND HUMAN RESOURCES

The amended bill includes \$40,000,000 for Education and Related Activities of which \$20,000,000 is for section 10 of the National Science Foundation Authorization Act of

2002 (42 U.S.C. 1862n-1) and \$20,000,000, is for activities authorized by section 10A of the National Science Foundation Authorization Act of 2002 (42 U.S.C. 1862n-1a).

CHAPTER 3—ENERGY

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

SCIENCE

The amended bill includes an additional \$62,500,000 for Science. The Department of Energy is instructed to utilize this funding to eliminate all furloughs and reductions in force which are a direct result of budgetary constraints. Workforce reductions which are a result of completed work or realignment of mission should proceed as planned. This funding is intended to maintain technical expertise and capability at the Office of Science, and may be used for National Laboratory Research and Development including research related to new neutrino initiatives. Funding for research efforts shall not be allocated until the Office of Science has fully funded all personnel requirements.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL CLEANUP

The amended bill includes an additional \$62,500,000 for Defense Environmental Cleanup.

CHAPTER 4— LABOR AND HEALTH AND HUMAN SERVICES

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The amended bill provides \$110,000,000 for Unemployment Compensation State Operations to compensate the States for the administrative costs of processing the Unemployment Insurance (UI) claims workload for the balance of fiscal year 2008. New UI claims are increasing, reaching a level in April 2008 nearly 18 percent greater than the previous year. States are beginning to experience service degradation in the form of call center delays for claimants, waiting times for adjudication of disputed claims, and reductions in program integrity activities, tax collection, and tax audits. While funding in the Consolidated Appropriations Act, 2008 is sufficient to cover the costs of processing 2.4 million Average Weekly Insured Unemployment (AWIU), claims have already climbed above 2.9 million AWIU. The amount provided will compensate States for the

claims workload estimated by the Department of Labor up to the point where additional funds are released under a legislated trigger.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The amended bill provides \$150,000,000 in additional funding for the National Institutes of Health to support additional scientific research. This funding is to be distributed on a pro-rata basis across the NIH institutes and centers.

CHAPTER 5—LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

The amended bill provides the customary death gratuity to Annette Lantos, widow of Tom Lantos, late a Representative from the State of California.

TITLE III—NATURAL DISASTER RELIEF AND RECOVERY

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

The amended bill provides \$89,413,000 for the Emergency Conservation Program for disaster relief. The recent Midwest floods and tornadoes have added to disaster relief funding needs. Therefore, these funds are provided to meet these and other disaster relief funding needs.

NATURAL RESOURCES CONSERVATION SERVICE

EMERGENCY WATERSHED PROTECTION PROGRAM

The amended bill provides \$390,464,000 for the Emergency Watershed Protection Program for disaster relief. The recent Midwest floods and tornadoes have added to

disaster relief funding needs. Therefore, these funds are provided to meet these and other disaster relief funding needs.

CHAPTER 2—COMMERCE

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The amended bill provides \$100,000,000 for economic development assistance in Presidentially-declared disaster areas to provide disaster relief, long-term recovery and restoration of infrastructure.

CHAPTER 3—CORPS OF ENGINEERS

DEPARTMENT OF DEFENSE – CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS – CIVIL

Public Law 109–148, the 3rd emergency supplemental appropriations act of 2006, Public Law 109–234, the 4th emergency supplemental appropriations act of 2006, and Public Law 110–28, the emergency supplemental appropriations act of 2007, provided funds to repair and restore hurricane damaged projects, accelerate completion of New Orleans area flood and storm damage reduction projects, and provide 100-year storm protection for the greater New Orleans area. The scope and magnitude of the work required has increased with time. The current cost estimate requires \$5,761,000,000 in additional Federal funds and a non-Federal cost-share of \$1,527,000,000.

The Administration requested this funding under the Construction account in the fiscal year 2009 budget. The amended bill provides the full amount of the request as a supplemental appropriation to ensure the existing schedule for completion of 100-year protection for the greater New Orleans area by 2011 is met. However, \$2,926,000,000 is provided under Flood Control and Coastal Emergencies in order to provide continuity in appropriations for projects to repair, restore, and accelerate completion of the levels of protection authorized prior to Hurricane Katrina. None of the funds recommended for this purpose shall be available until October 1, 2008.

In addition, the amended bill provides \$605,988,800 to respond to recent natural disasters. The Corps shall prioritize all projects to ensure that the most critical health and safety risks are addressed.

CONSTRUCTION

The amended bill includes \$2,896,700,000 for Construction. Within the recommended funds, \$1,077,000,000 is provided to complete the 100-year storm protection for the Lake Pontchartrain and Vicinity project; \$920,000,000 is provided to complete the 100-year storm protection for the West Bank and Vicinity project; and \$838,000,000 is provided for elements of the Southeast Louisiana Urban Drainage project that are within the geographic perimeter of the West Bank and Vicinity projects and the Lake Pontchartrain and Vicinity project.

The amended bill includes a provision which requires the Lake Pontchartrain and Vicinity, West Bank and Vicinity and Southeast Louisiana projects be cost shared 65 percent Federal and 35 percent non-Federal as proposed by the Administration with a resulting Federal cost of \$2,835,000,000 and a non-Federal cost of \$1,527,000,000. While the amended bill includes specific statutory dollar amounts for the three projects, statutory language has been included that would allow the Administration to request a reprogramming of funds, if required. However, the Corps should use this reprogramming ability sparingly.

Due to recent natural disasters, the Corps of Engineers has identified a number of projects that are currently under construction that have been damaged by storm and flood events. The amended bill includes \$61,700,000 for the Corps to repair and rehabilitate these construction projects that were affected by natural disasters.

MISSISSIPPI RIVER AND TRIBUTARIES

Due to recent natural disasters, the Corps of Engineers has identified a number of Federally-maintained construction and maintenance projects that have been damaged or otherwise impacted by storm and flood events. The amended bill includes \$17,590,000 for the Corps to repair and rehabilitate these projects that were affected by natural disasters.

OPERATION AND MAINTENANCE

Due to recent natural disasters, the Corps of Engineers has identified a number of navigation and flood damage reduction projects that have been impacted by storm and flood events. The amended bill provides \$298,344,000 for the Corps to restore navigation channels and harbors to pre-storm conditions; and to repair eligible flood damage reduction and other projects in States affected by natural disasters.

FLOOD CONTROL AND COASTAL EMERGENCIES

The amended bill provides \$3,152,854,800 for Flood Control and Coastal Emergencies. The funding includes, at full Federal expense, the following amounts: \$704,000,000 to modify the 17th Street, Orleans Avenue, and London Avenue drainage canals and install pumps and closure structures at or near the lakefront; \$90,000,000 for storm-proofing interior pump stations to ensure the operability of the stations during hurricanes, storms, and high water events; \$459,000,000 for armoring critical elements of the New Orleans hurricane and storm damage reduction system; \$53,000,000 to improve protection at the Inner Harbor Navigation Canal; \$456,000,000 to replace or modify

certain non- Federal levees in Plaquemines Parish to incorporate the levees into the existing New Orleans to Venice hurricane protection project; \$412,000,000 for reinforcing or replacing flood walls, as necessary, in the existing Lake Pontchartrain and Vicinity project and the existing West Bank and Vicinity project to improve the performance of the systems; \$393,000,000 for repair and restoration of authorized protections and floodwalls; and \$359,000,000 to complete the authorized protection for the Lake Pontchartrain and Vicinity Project, for the West Bank and Vicinity Project and the New Orleans to Venice Project. While the Committee has recommended specific statutory dollar amounts for the projects identified under this heading, statutory language has been included that would allow the Administration to request a reprogramming of funds, if required. However, the Corps should use this reprogramming ability sparingly.

Due to recent natural disasters, the Corps of Engineers has identified a number of projects that have been damaged by storm and flood events. The amended bill includes \$226,854,800 for the Corps to prepare for flood, hurricane and other natural disasters and support emergency operations, repairs, and other activities in response to flood and hurricane emergencies, as authorized by law; to repair and rehabilitate eligible projects that were affected by natural disasters; and to fund claims processing and discovery costs associated with Hurricane Katrina lawsuits.

The amended bill includes a provision directing the Corps to continue the NEPA alternative evaluation of all options for permanent pumping of storm water in the New Orleans metropolitan area with particular attention to Options 1, 2 and 2a and within 90 days of enactment of this Act provide the House and Senate Appropriation Committees cost estimates to implement Options 1, 2 and 2a of the above cited report. Current plans do not fully account for the operational challenges that arise during major storm events and are not, therefore, fully protective of public safety.

EXPENSES

The amended bill includes \$1,500,000 for additional oversight and management costs associated with Hurricane Katrina recovery efforts.

CHAPTER 4—SMALL BUSINESS

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Based on early estimates of damages due to severe storms and flooding in a number of states, the amended bill includes \$164,939,000 in loan subsidy for the costs of providing direct loans for homeowners and business-owners so that they can recover from the effects of these disasters. The amended bill also includes a total of \$101,814,000 for the administrative costs for carrying out the loan program. These funds will provide for the on site presence of Small Business Administration (SBA) employees to assist disaster victims in obtaining low interest loans from the SBA. Funding will support

additional to staff in call centers, disaster resource sites, and loan processing centers and for field inspections to verify damages and losses of homes and businesses. Funding is also necessary to hire additional attorneys to carry out the loan closing process, as well as staff to service the loans. Of this amount, \$6,000,000 may be transferred to the Salaries and Expenses account for indirect administrative expenses and \$1,000,000 is for the Office of Inspector General for audits and reviews of disaster loans.

CHAPTER 5—FEMA DISASTER RELIEF

DEPARTMENT OF HOMELAND SECURITY

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

The amended bill provides an additional \$897,000,000 for Disaster Relief. The recent Midwest floods and tornadoes have added to disaster relief funding needs. The 1993 Midwest floods cost FEMA over \$1.1 billion fifteen years ago and the current damage is likely to cost at least this amount, but in inflated dollars. This funding is provided to meet these and other disaster relief funding needs.

CHAPTER 6—HOUSING AND URBAN DEVELOPMENT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PERMANENT SUPPORTIVE HOUSING

The amended bill includes funding for Louisiana Permanent Supportive Housing, in the amount of \$73,000,000. This is a new program, and the money is split between two accounts in the bill – the Homeless Assistance Grants and the Project-Based Rental Assistance programs. This program will provide funding for the 3,000 units of permanent supportive housing that are envisioned in the HUD-approved Louisiana Road Home Program. This will enable the promise of the Road Home Program to address the housing needs of our most vulnerable citizens, in particular extremely low-income homeless, disabled and frail elderly persons, to be fulfilled. Of the \$73,000,000 provided, \$20,000,000 will fund 2,000 project-based vouchers (funded for 1-year terms) with \$3,000,000 in administrative fees, and \$50,000,000 will fund 1,000 Shelter Plus Care units (funded for five-year terms). These are the ideal and proven housing programs for creating permanent supportive housing for the populations in question. The program funds are provided to the State of Louisiana or its designee or designees, and language is included stating that the administering entity or entities can act as a public housing agency for purposes of administering the funding.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

The amended bill provides \$300,000,000 for the Community Development Fund for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in areas for which the President declared a major disaster.

TITLE IV—EMERGENCY UNEMPLOYMENT COMPENSATION

The amended bill includes language providing a temporary extension of unemployment benefits to workers who have lost their jobs. Specifically, the amended bill provides up to 13 weeks of extended unemployment benefits in every State to workers exhausting regular unemployment compensation. The extended benefits program will terminate on March 31, 2009. The percentage of workers exhausting unemployment benefits is currently 37 percent, which is higher than at the beginning of any of the past five recessions. Not only will workers and their families benefit from extended benefits, providing this financial assistance also can reduce the severity and duration of an economic downturn. Experts agree that extending unemployment benefits is one of the most cost-effective and fast acting forms of economic stimulus because workers who have lost their paychecks have little choice but to spend these benefits quickly.

TITLE V—VETERANS EDUCATIONAL ASSISTANCE

Title V of the amended bill includes provisions designed to expand the educational benefits for men and women who have served in the armed forces since the terrorist attacks of September 11, 2001. The provisions will closely resemble the educational benefits provided to veterans returning from World War II.

The benefits included in title V would apply to all members of the military who have served on active duty, including activated reservists and National Guard. To qualify, veterans must have served at least three months of qualified active duty, beginning on or after September 11, 2001. The amended bill provides for benefits to be paid in amounts linked to the amount of active duty service.

In addition to tuition and other established charges, the benefit includes a monthly stipend for housing costs as well as tutorial assistance and licensure and certification tests.

The amended bill would create a new program in which the government will agree to match, dollar for dollar, any voluntary additional contributions to veterans from institutions whose tuition is more expensive than the maximum educational assistance provided in the amended bill.

In addition, title V allows for members of the armed services to transfer their benefits to their spouse or children.

Finally, the amended bill provides for the veterans to have up to fifteen years after they leave active duty to use their educational assistance entitlement. Veterans would be barred from receiving concurrent assistance from this program and another similar program.

TITLE VI—ACCOUNTABILITY AND TRANSPARENCY IN GOVERNMENT CONTRACTING

CHAPTER 1—CLOSE THE CONTRACTOR FRAUD LOOPHOLE

Chapter 1 of title VI is identical to the language of H.R. 5712, “Close the Contractor Fraud Loophole Act,” passed by the House on April 23, 2008. It closes a loophole in a proposed rule so that mandatory fraud reporting requirements would apply to U.S. contractors working overseas as well as to contractors working here at home.

CHAPTER 2—GOVERNMENT FUNDING TRANSPARENCY

Chapter 2 of title VI is identical to the language of H.R. 3928, “Government Funding Transparency Act of 2007,” passed by the House on April 23, 2008. It requires any company or organization receiving at least \$25 million and 80 percent or more of their revenue from federal payments to disclose the compensation of their most highly-compensated officers.

TITLE VII—MEDICAID PROVISIONS

Title VII of the amended bill includes language extending the current moratorium to April 2009 on four Medicaid regulations pertaining to: graduate medical education payments; limits on payments to government safety net providers; rehabilitation services; and school-based administrative and specialized medical transportation services for children. The amended bill also establishes a moratorium for the same period for two Medicaid regulations pertaining to: health care provider taxes and targeted case management. The cost of the moratoria is fully offset over five and ten years in the amended bill by provisions that extend an asset verification demonstration to all fifty States and reduce balances in the Physician Assistance and Quality Initiative Fund. These six moratoria are identical to those included in H.R. 5613, which was approved by the House by a 349-62 vote.

The moratorium on these six regulations is included in the amended bill due to concerns about their potential negative impact on essential medical services for millions of people, particularly for seniors, people with disabilities, and children, and on the providers of these safety net services. These regulations also would have a far-reaching impact on graduate medical education, outreach and supportive services designed to help individuals get the medical care they need, and foster care services.

According to the Congressional Budget Office (CBO), these regulatory changes would reduce Federal Medicaid spending by more than \$17,500,000,000 over the next five years, shifting these costs to States and localities. These cuts would occur during an economic downturn when States and localities are least able to restore services. Further, the authorizing committees indicate that many of these regulations alter longstanding Medicaid policy without specific Congressional authorization.

Additional time is required to examine the potential impact of these regulations. Accordingly, the amended bill includes \$5,000,000 for a study to be completed no later than September 2009 by an independent entity to assess the prevalence of the problems in the Medicaid program the regulations were intended to address and their impact on each

State. The amended bill also includes \$25,000,000 for the purpose of reducing fraud and abuse in the Medicaid program.

TITLE VIII—GENERAL PROVISIONS, THIS ACT

The amended bill includes the following general provisions:

Section 8001 establishes the period of availability for obligation for appropriations provided in this Act.

Section 8002 provides that, unless otherwise noted, all appropriations in this Act are designated as emergency requirements and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 and section 301(b)(2) of S. Con. Res. 70, the congressional budget resolutions for fiscal years 2008 and 2009.

Section 8003 provides for a reduction of \$3,577,845,000 from the Procurement; Research, Development, Test and Evaluation; and Defense Working Capital headings within chapter 1 of title IX of this Act. The section also provides that the reduction shall be applied proportionally to each appropriation account under such headings, and to each program, project, and activity within each such appropriation account.

Section 8004 amends section 9310 of this Act, which prohibits the obligation or expenditure of funds available to the Department of Defense to implement any final action on joint basing initiatives. The amendment excepts funds deposited in the Department of Defense Base Closure Account 2005 from this restriction.

Section 8005 makes funds provided in Public Law 110-28, which remain available for obligation, within the operation and maintenance portion of the Defense Health Program for Post Traumatic Stress Disorder and Traumatic Brain Injury (TBI) available for psychological health and traumatic brain injury.

Section 8006 provides that this Act may be referred to as the “Supplemental Appropriations Act, 2008”.