

**TEXT OF THE HOUSE AMENDMENT
MADE IN ORDER UNDER THE RULE**

HOUSE AMENDMENT TO SENATE AMENDMENT 2
(H.R. 2642)

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

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

5 **TITLE I—MILITARY CONSTRUCTION, VETERANS**
6 **AFFAIRS, INTERNATIONAL AFFAIRS, AND**
7 **OTHER SECURITY-RELATED MATTERS**

8 **CHAPTER 1—AGRICULTURE**

9 **DEPARTMENT OF AGRICULTURE**

10 **FOREIGN AGRICULTURAL SERVICE**

11 **PUBLIC LAW 480 TITLE II GRANTS**

12 For an additional amount for “Public Law 480 Title
13 II Grants”, \$850,000,000, to remain available until ex-
14 pended.

15 For an additional amount for “Public Law 480 Title
16 II Grants”, \$395,000,000, to become available on October
17 1, 2008, and to remain available until expended.

1 CHAPTER 2—JUSTICE

2 DEPARTMENT OF JUSTICE

3 OFFICE OF INSPECTOR GENERAL

4 For an additional amount for “Office of Inspector
5 General”, \$4,000,000, to remain available until September
6 30, 2009.

7 LEGAL ACTIVITIES

8 SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

9 For an additional amount for “Salaries and Ex-
10 penses, General Legal Activities”, \$1,648,000, to remain
11 available until September 30, 2009.

12 SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

13 For an additional amount for “Salaries and Ex-
14 penses, United States Attorneys”, \$5,000,000, to remain
15 available until September 30, 2009.

16 UNITED STATES MARSHALS SERVICE

17 SALARIES AND EXPENSES

18 For an additional amount for “Salaries and Ex-
19 penses”, \$28,621,000, to remain available until September
20 30, 2009.

21 FEDERAL BUREAU OF INVESTIGATION

22 SALARIES AND EXPENSES

23 For an additional amount for “Salaries and Ex-
24 penses”, \$106,122,000, to remain available until Sep-
25 tember 30, 2009.

1 For an additional amount for “Salaries and Ex-
2 penses”, \$82,600,000, to become available on October 1,
3 2008, and to remain available until September 30, 2009.

4 DRUG ENFORCEMENT ADMINISTRATION

5 SALARIES AND EXPENSES

6 For an additional amount for “Salaries and Ex-
7 penses”, \$29,861,000, to remain available until September
8 30, 2009.

9 BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND
10 EXPLOSIVES

11 SALARIES AND EXPENSES

12 For an additional amount for “Salaries and Ex-
13 penses”, \$4,000,000, to remain available until September
14 30, 2009.

15 FEDERAL PRISON SYSTEM

16 SALARIES AND EXPENSES

17 For an additional amount for “Salaries and Ex-
18 penses”, \$9,100,000, to remain available until September
19 30, 2009.

20 GENERAL PROVISION, THIS CHAPTER

21 SEC. 1201. Funds appropriated by this chapter, or
22 made available by the transfer of funds in this chapter,
23 for intelligence or intelligence related activities are deemed
24 to be specifically authorized by the Congress for purposes

1 of section 504 of the National Security Act of 1947 (50
2 U.S.C. 414).

3 CHAPTER 3—MILITARY CONSTRUCTION AND
4 VETERANS AFFAIRS
5 DEPARTMENT OF DEFENSE
6 MILITARY CONSTRUCTION, ARMY

7 For an additional amount for “Military Construction,
8 Army”, \$1,108,200,000, of which \$921,000,000 shall re-
9 main available until September 30, 2009, and of which
10 \$187,200,000 for child development centers and trainee
11 and recruit facilities (including planning and design) shall
12 remain available until September 30, 2012: *Provided*,
13 That notwithstanding any other provision of law, such
14 funds may be obligated and expended to carry out plan-
15 ning and design and military construction projects not
16 otherwise authorized by law: *Provided further*, That of the
17 funds provided under this heading, not to exceed
18 \$73,400,000 shall be available for study, planning, design,
19 and architect and engineer services: *Provided further*, That
20 funds provided under this heading for Iraq shall not be
21 obligated or expended until the Secretary of Defense cer-
22 tifies to the Committees on Appropriations of both Houses
23 of Congress that none of the funds are to be used for the
24 purpose of providing facilities for the permanent basing
25 of United States military personnel in Iraq.

1 MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

2 For an additional amount for “Military Construction,
3 Navy and Marine Corps”, \$355,907,000, of which
4 \$295,516,000 shall remain available until September 30,
5 2009, and of which \$60,391,000 for child development
6 centers and trainee and recruit facilities (including plan-
7 ning and design) shall remain available until September
8 30, 2012: *Provided*, That notwithstanding any other provi-
9 sion of law, such funds may be obligated and expended
10 to carry out planning and design and military construction
11 projects not otherwise authorized by law: *Provided further*,
12 That of the funds provided under this heading, not to ex-
13 ceed \$15,843,000 shall be available for study, planning,
14 design, and architect and engineer services.

15 MILITARY CONSTRUCTION, AIR FORCE

16 For an additional amount for “Military Construction,
17 Air Force”, \$399,627,000, of which \$361,600,000 shall
18 remain available until September 30, 2009, and of which
19 \$38,027,000 for child development centers (including
20 planning and design) shall remain available until Sep-
21 tember 30, 2012: *Provided*, That notwithstanding any
22 other provision of law, such funds may be obligated and
23 expended to carry out planning and design and military
24 construction projects not otherwise authorized by law:
25 *Provided further*, That of the funds provided under this

1 heading, not to exceed \$36,427,000 shall be available for
2 study, planning, design, and architect and engineer serv-
3 ices: *Provided further*, That funds provided under this
4 heading for Iraq shall not be obligated or expended until
5 the Secretary of Defense certifies to the Committees on
6 Appropriations of both Houses of Congress that none of
7 the funds are to be used for the purpose of providing facili-
8 ties for the permanent basing of United States military
9 personnel in Iraq.

10 MILITARY CONSTRUCTION, DEFENSE-WIDE

11 For an additional amount for “Military Construction,
12 Defense-Wide”, \$890,921,000, of which \$27,600,000 shall
13 remain available until September 30, 2009, and of which
14 \$863,321,000 for medical treatment facilities (including
15 planning and design) shall remain available until Sep-
16 tember 30, 2012: *Provided*, That notwithstanding any
17 other provision of law, such funds may be obligated and
18 expended to carry out planning and design and military
19 construction projects not otherwise authorized by law.

20 FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE

21 CORPS

22 For an additional amount for “Family Housing Con-
23 struction, Navy and Marine Corps”, \$11,766,000, to re-
24 main available until September 30, 2009: *Provided*, That
25 notwithstanding any other provision of law, such funds

1 may be obligated and expended to carry out planning and
2 design and military construction projects not otherwise
3 authorized by law.

4 DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT

5 2005

6 For deposit into the Department of Defense Base
7 Closure Account 2005, established by section 2906A(a)(1)
8 of the Defense Base Closure and Realignment Act of 1990
9 (10 U.S.C. 2687 note), \$1,278,886,000, to remain avail-
10 able until expended: *Provided*, That notwithstanding any
11 other provision of law, such funds may be obligated and
12 expended to carry out planning and design and military
13 construction projects not otherwise authorized by law.

14 DEPARTMENT OF VETERANS AFFAIRS

15 DEPARTMENTAL ADMINISTRATION

16 GENERAL OPERATING EXPENSES

17 For an additional amount for “General Operating
18 Expenses”, \$100,000,000, to remain available until Sep-
19 tember 30, 2009.

20 INFORMATION TECHNOLOGY SYSTEMS

21 For an additional amount for “Information Tech-
22 nology Systems”, \$20,000,000, to remain available until
23 September 30, 2009.

1 CONSTRUCTION, MAJOR PROJECTS

2 For an additional amount for “Construction, Major
3 Projects”, \$396,377,000, to remain available until ex-
4 pended, which shall be for acceleration and completion of
5 planned major construction of Level I polytrauma rehabili-
6 tation centers as identified in the Department of Veterans
7 Affairs’ Five Year Capital Plan: *Provided*, That notwith-
8 standing any other provision of law, such funds may be
9 obligated and expended to carry out planning and design
10 and major medical facility construction not otherwise au-
11 thorized by law: *Provided further*, That within 30 days of
12 enactment of this Act the Secretary shall submit to the
13 Committees on Appropriations of both Houses of Congress
14 an expenditure plan for funds provided under this head-
15 ing.

16 GENERAL PROVISIONS, THIS CHAPTER

17 SEC. 1301. In addition to amounts otherwise appro-
18 priated or made available under the heading “Military
19 Construction, Army”, there is hereby appropriated an ad-
20 ditional \$200,000,000, to remain available until Sep-
21 tember 30, 2012, to accelerate barracks improvements at
22 Department of Army installations: *Provided*, That not-
23 withstanding any other provision of law, such funds may
24 be obligated and expended to carry out planning and de-
25 sign and barracks construction not otherwise authorized

1 by law: *Provided further*, That within 30 days of enact-
2 ment of this Act the Secretary of the Army shall submit
3 to the Committees on Appropriations of both Houses of
4 Congress an expenditure plan for barracks construction
5 prior to obligation.

6 SEC. 1302. None of the funds appropriated in this
7 or any other Act may be used to disestablish, reorganize,
8 or relocate the Armed Forces Institute of Pathology, ex-
9 cept for the Armed Forces Medical Examiner, until the
10 President has established, as required by section 722 of
11 the National Defense Authorization Act for Fiscal Year
12 2008 (Public Law 110–181; 122 Stat. 199; 10 U.S.C. 176
13 note), a Joint Pathology Center.

14 SEC. 1303. (a) LIMITATION ON AUTHORITY.—

15 (1) IN GENERAL.—Chapter 53 of title 38,
16 United States Code, is amended by inserting after
17 section 5302 the following new section:

18 **“§ 5302A Collection of indebtedness: certain debts of**
19 **members of the Armed Forces and vet-**
20 **erans who die of injury incurred or ag-**
21 **gravated in the line of duty in a combat**
22 **zone**

23 “(a) LIMITATION ON AUTHORITY.—The Secretary
24 may not collect all or any part of an amount owed to the
25 United States by a member of the Armed Forces or vet-

1 eran described in subsection (b) under any program under
2 the laws administered by the Secretary, other than a pro-
3 gram referred to in subsection (c), if the Secretary deter-
4 mines that termination of collection is in the best interest
5 of the United States.

6 “(b) COVERED INDIVIDUALS.—A member of the
7 Armed Forces or veteran described in this subsection is
8 any member or veteran who dies as a result of an injury
9 incurred or aggravated in the line of duty while serving
10 in a theater of combat operations (as determined by the
11 Secretary in consultation with the Secretary of Defense)
12 in a war or in combat against a hostile force during a
13 period of hostilities (as that term is defined in section
14 1712A(a)(2)(B) of this title) after September 11, 2001.

15 “(c) INAPPLICABILITY TO HOUSING AND SMALL
16 BUSINESS BENEFIT PROGRAMS.—The limitation on au-
17 thority in subsection (a) shall not apply to any amounts
18 owed the United States under any program carried out
19 under chapter 37 of this title.”.

20 (2) CLERICAL AMENDMENT.—The table of sec-
21 tions at the beginning of chapter 53 of such title is
22 amended by inserting after the item relating to sec-
23 tion 5302 the following new item:

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

1 (b) **EQUITABLE REFUND.**—In any case where all or
2 any part of an indebtedness of a covered individual, as
3 described in section 5302A(a) of title 38, United States
4 Code, as added by subsection (a)(1), was collected after
5 September 11, 2001, and before the date of the enactment
6 of this Act, and the Secretary of Veterans Affairs deter-
7 mines that such indebtedness would have been terminated
8 had such section been in effect at such time, the Secretary
9 may refund the amount so collected if the Secretary deter-
10 mines that the individual is equitably entitled to such re-
11 fund.

12 (c) **EFFECTIVE DATE.**—The amendments made by
13 this section shall take effect on the date of the enactment
14 of this Act, and shall apply with respect to collections of
15 indebtedness of members of the Armed Forces and vet-
16 erans who die on or after September 11, 2001.

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

1 CHAPTER 4—DEPARTMENT OF STATE AND
2 FOREIGN OPERATIONS
3 SUBCHAPTER A—SUPPLEMENTAL
4 APPROPRIATIONS FOR FISCAL YEAR 2008
5 DEPARTMENT OF STATE
6 ADMINISTRATION OF FOREIGN AFFAIRS
7 DIPLOMATIC AND CONSULAR PROGRAMS

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

20 OFFICE OF INSPECTOR GENERAL
21 (INCLUDING TRANSFER OF FUNDS)

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

1 for reconstruction oversight, and \$2,000,000 shall be
2 transferred to the Special Inspector General for Afghani-
3 stan Reconstruction for reconstruction oversight.

4 EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

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

8 INTERNATIONAL ORGANIZATIONS

9 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

10 For an additional amount for “Contributions to
11 International Organizations”, \$66,000,000, to remain
12 available until September 30, 2009.

13 CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING

14 ACTIVITIES

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

20 RELATED AGENCY

21 BROADCASTING BOARD OF GOVERNORS

22 INTERNATIONAL BROADCASTING OPERATIONS

23 For an additional amount for “International Broad-
24 casting Operations”, \$2,000,000, to remain available until
25 September 30, 2009.

1 BILATERAL ECONOMIC ASSISTANCE

2 FUNDS APPROPRIATED TO THE PRESIDENT

3 INTERNATIONAL DISASTER ASSISTANCE

4 For an additional amount for “International Disaster
5 Assistance”, \$220,000,000, to remain available until ex-
6 pended.

7 OPERATING EXPENSES OF THE UNITED STATES AGENCY

8 FOR INTERNATIONAL DEVELOPMENT

9 For an additional amount for “Operating Expenses
10 of the United States Agency for International Develop-
11 ment”, \$150,500,000, to remain available until September
12 30, 2009: *Provided*, That of the funds appropriated under
13 this heading, not more than \$25,000,000 shall be made
14 available to establish and implement a coordinated civilian
15 response capacity at the United States Agency for Inter-
16 national Development.

17 OPERATING EXPENSES OF THE UNITED STATES AGENCY

18 FOR INTERNATIONAL DEVELOPMENT OFFICE OF IN-

19 SPECTOR GENERAL

20 For an additional amount for “Operating Expenses
21 of the United States Agency for International Develop-
22 ment Office of Inspector General”, \$4,000,000, to remain
23 available until September 30, 2009.

1 OTHER BILATERAL ECONOMIC ASSISTANCE

2 ECONOMIC SUPPORT FUND

3 For an additional amount for “Economic Support
4 Fund”, \$1,882,500,000, to remain available until Sep-
5 tember 30, 2009, of which not more than \$424,000,000
6 may be made available for assistance for Iraq,
7 \$175,000,000 shall be made available for assistance for
8 Jordan to meet the needs of Iraqi refugees, and up to
9 \$53,000,000 may be made available for energy-related as-
10 sistance for North Korea, notwithstanding any other pro-
11 vision of law: *Provided*, That not more than \$171,000,000
12 of the funds appropriated under this heading in this sub-
13 chapter shall be made available for assistance for the West
14 Bank and Gaza and none of such funds shall be for cash
15 transfer assistance: *Provided further*, That of the funds
16 appropriated under this heading, \$1,000,000 shall be
17 made available for the Office of the United Nations High
18 Commissioner for Human Rights in Mexico: *Provided fur-*
19 *ther*, That the funds made available under this heading
20 for energy-related assistance for North Korea may be
21 made available to support the goals of the Six Party Talks
22 Agreements after the Secretary of State determines and
23 reports to the Committees on Appropriations that North
24 Korea is continuing to fulfill its commitments under such
25 agreements.

1 DEPARTMENT OF STATE

2 DEMOCRACY FUND

3 For an additional amount for “Democracy Fund”,
4 \$76,000,000, to remain available until September 30,
5 2009, of which \$75,000,000 shall be for democracy pro-
6 grams in Iraq and \$1,000,000 shall be for democracy pro-
7 grams in Chad.

8 INTERNATIONAL NARCOTICS CONTROL AND LAW

9 ENFORCEMENT

10 For an additional amount for “International Nar-
11 cotics Control and Law Enforcement”, \$390,300,000, to
12 remain available until September 30, 2009, of which not
13 more than \$25,000,000 shall be made available for secu-
14 rity assistance for the West Bank.

15 MIGRATION AND REFUGEE ASSISTANCE

16 For an additional amount for “Migration and Ref-
17 ugee Assistance”, \$315,000,000, to remain available until
18 expended.

19 UNITED STATES EMERGENCY REFUGEE AND MIGRATION

20 ASSISTANCE FUND

21 For an additional amount for “United States Emer-
22 gency Refugee and Migration Assistance Fund”,
23 \$31,000,000, to remain available until expended.

1 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
2 RELATED PROGRAMS

3 For an additional amount for “Nonproliferation,
4 Anti-Terrorism, Demining and Related Programs”,
5 \$13,700,000, to remain available until September 30,
6 2009.

7 MILITARY ASSISTANCE
8 FUNDS APPROPRIATED TO THE PRESIDENT
9 FOREIGN MILITARY FINANCING PROGRAM

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

16 Not more than \$1,350,000 of the funds appropriated
17 or otherwise made available under the heading “Foreign
18 Military Financing Program” by the Department of State,
19 Foreign Operations, and Related Programs Appropria-
20 tions Act, 2008 (division J of Public Law 110–161) that
21 were previously transferred to and merged with “Diplo-
22 matic and Consular Programs” may be made available for
23 any purposes authorized for that account, of which up to
24 \$500,000 shall be made available to increase the capacity
25 of the United States Embassy in Mexico City to implement

1 section 620J of the Foreign Assistance Act of 1961: *Pro-*
2 *vided*, That funds made available by this paragraph shall
3 not be subject to Section 8002 of this Act.

4 SUBCHAPTER B—BRIDGE FUND SUPPLE-
5 MENTAL APPROPRIATIONS FOR FISCAL
6 YEAR 2009

7 DEPARTMENT OF STATE

8 ADMINISTRATION OF FOREIGN AFFAIRS

9 DIPLOMATIC AND CONSULAR PROGRAMS

10 For an additional amount for “Diplomatic and Con-
11 sular Programs”, \$704,900,000, which shall become avail-
12 able on October 1, 2008, and remain available through
13 September 30, 2009: *Provided*, That of the funds appro-
14 priated under this heading, \$78,400,000 is for worldwide
15 security protection and shall remain available until ex-
16 pended: *Provided further*, That not more than
17 \$550,500,000 of the funds appropriated under this head-
18 ing shall be available for diplomatic operations in Iraq.

19 OFFICE OF INSPECTOR GENERAL

20 (INCLUDING TRANSFER OF FUNDS)

21 For an additional amount for “Office of Inspector
22 General”, \$57,000,000, which shall become available on
23 October 1, 2008, and remain available through September
24 30, 2009: *Provided*, That \$36,500,000 shall be transferred
25 to the Special Inspector General for Iraq Reconstruction

1 for reconstruction oversight and \$5,000,000 shall be
2 transferred to the Special Inspector General for Afghani-
3 stan Reconstruction for reconstruction oversight.

4 EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

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

9 INTERNATIONAL ORGANIZATIONS

10 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

11 For an additional amount for “Contributions to
12 International Organizations”, \$75,000,000, which shall
13 become available on October 1, 2008, and remain available
14 through September 30, 2009.

15 CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING

16 ACTIVITIES

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

21 RELATED AGENCY

22 BROADCASTING BOARD OF GOVERNORS

23 INTERNATIONAL BROADCASTING OPERATIONS

24 For an additional amount for “International Broad-
25 casting Operations”, \$6,000,000, which shall become

1 available on October 1, 2008, and remain available
2 through September 30, 2009.

3 BILATERAL ECONOMIC ASSISTANCE
4 FUNDS APPROPRIATED TO THE PRESIDENT
5 GLOBAL HEALTH AND CHILD SURVIVAL

6 For an additional amount for “Global Health and
7 Child Survival”, \$75,000,000, which shall become avail-
8 able on October 1, 2008, and remain available through
9 September 30, 2009, for programs to combat avian influ-
10 enza.

11 DEVELOPMENT ASSISTANCE

12 For an additional amount for “Development Assist-
13 ance”, \$200,000,000, for assistance for developing coun-
14 tries to address the international food crisis notwith-
15 standing any other provision of law, which shall become
16 available on October 1, 2008, and remain available
17 through September 30, 2010: *Provided*, That such assist-
18 ance should be carried out consistent with the purposes
19 of section 103(a)(1) of the Foreign Assistance Act of
20 1961: *Provided further*, That not more than \$50,000,000
21 should be made available for local or regional purchase
22 and distribution of food: *Provided further*, That the Sec-
23 retary of State shall submit to the Committees on Appro-
24 priations not later than 45 days after enactment of this
25 Act, and prior to the initial obligation of funds appro-

1 priated under this heading, a report on the proposed uses
2 of such funds to alleviate hunger and malnutrition, includ-
3 ing a list of those countries facing significant food short-
4 ages.

5 INTERNATIONAL DISASTER ASSISTANCE

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

9 OPERATING EXPENSES OF THE UNITED STATES AGENCY
10 FOR INTERNATIONAL DEVELOPMENT

11 For an additional amount for “Operating Expenses
12 of the United States Agency for International Develop-
13 ment”, \$93,000,000, which shall become available on Oc-
14 tober 1, 2008, and remain available through September
15 30, 2009.

16 OPERATING EXPENSES OF THE UNITED STATES AGENCY
17 FOR INTERNATIONAL DEVELOPMENT OFFICE OF IN-
18 SPECTOR GENERAL

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

1 OTHER BILATERAL ECONOMIC ASSISTANCE

2 ECONOMIC SUPPORT FUND

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

16 DEPARTMENT OF STATE

17 INTERNATIONAL NARCOTICS CONTROL AND LAW

18 ENFORCEMENT

19 For an additional amount for “International Nar-
20 cotics Control and Law Enforcement”, \$199,000,000,
21 which shall become available on October 1, 2008, and re-
22 main available through September 30, 2009: *Provided*,
23 That not more than \$50,000,000 of the funds appro-
24 priated under this heading shall be made available for se-
25 curity assistance for the West Bank and up to

1 \$48,000,000 may be made available for assistance for
2 Mexico.

3 MIGRATION AND REFUGEE ASSISTANCE

4 For an additional amount for “Migration and Ref-
5 ugee Assistance”, \$350,000,000, which shall become avail-
6 able on October 1, 2008, and remain available until ex-
7 pended.

8 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
9 RELATED PROGRAMS

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

15 MILITARY ASSISTANCE

16 FUNDS APPROPRIATED TO THE PRESIDENT

17 FOREIGN MILITARY FINANCING PROGRAM

18 For an additional amount for “Foreign Military Fi-
19 nancing Program”, \$302,500,000, which shall become
20 available on October 1, 2008, and remain available
21 through September 30, 2009, of which \$100,000,000 shall
22 be made available for assistance for Jordan, and not less
23 than \$170,000,000 shall be available for grants only for
24 Israel and shall be disbursed not later than November 1,
25 2008: *Provided*, That section 3802(c) of title III, chapter

1 8 of Public Law 110–28 shall apply to funds made avail-
2 able under this heading for assistance for Lebanon.

3 PEACEKEEPING OPERATIONS

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

8 SUBCHAPTER C—GENERAL PROVISIONS, THIS
9 CHAPTER

10 EXTENSION OF AUTHORITIES

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

19 IRAQ

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

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

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

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

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

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

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

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

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

7 (d) COMMUNITY STABILIZATION PROGRAM.—Not
8 more than 50 percent of the funds appropriated by this
9 chapter for the Community Stabilization Program in Iraq
10 may be made available until the Secretary of State cer-
11 tifies and reports to the Committees on Appropriations
12 that the United States Agency for International Develop-
13 ment is implementing recommendations contained in Of-
14 fice of Inspector General Audit Report No. E-267-08-001-
15 P to ensure accountability of funds.

16 (e) MATCHING REQUIREMENT.—

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

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

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

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

7 (C) humanitarian demining; or

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

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

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

1 Jordan, and elsewhere, and the amount of such as-
2 sistance the Government of Iraq plans to provide in
3 fiscal year 2008. The Secretary shall work expedi-
4 tiously with the Government of Iraq to establish an
5 account within its annual budget sufficient to, at a
6 minimum, match United States contributions on a
7 dollar-for-dollar basis to organizations and programs
8 for the purpose of assisting Iraqi refugees.

9 AFGHANISTAN

10 SEC. 1403. (a) ASSISTANCE FOR WOMEN AND
11 GIRLS.—Funds appropriated by this chapter under the
12 heading “Economic Support Fund” that are available for
13 assistance for Afghanistan shall be made available, to the
14 maximum extent practicable, through local Afghan provin-
15 cial and municipal governments and Afghan civil society
16 organizations and in a manner that emphasizes the par-
17 ticipation of Afghan women and directly improves the eco-
18 nomic, social and political status of Afghan women and
19 girls.

20 (b) HIGHER EDUCATION.—Of the funds appropriated
21 by this chapter under the heading “Economic Support
22 Fund” that are made available for education programs in
23 Afghanistan, not less than 50 percent shall be made avail-
24 able to support higher education and vocational training
25 programs in law, accounting, engineering, public adminis-
26 tration, and other disciplines necessary to rebuild the

1 country, in which the participation of women is empha-
2 sized.

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

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

13 (1) submit a report to the Committees on Ap-
14 propriations on actions being taken by the Govern-
15 ment of Afghanistan to combat corruption within the
16 national and provincial governments, including to re-
17 move and prosecute officials who have committed
18 corrupt acts;

19 (2) submit a list to the Committees on Appro-
20 priations, in classified form if necessary, of senior
21 Afghan officials who the Secretary has credible evi-
22 dence to believe have committed corrupt acts; and

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

1 ministries and provincial governments will be prop-
2 erly accounted for.

3 WEST BANK

4 SEC. 1404. Not later than 90 days after the date of
5 enactment of this Act and 180 days thereafter, the Sec-
6 retary of State shall submit to the Committees on Appro-
7 priations a report on assistance provided by the United
8 States for the training of Palestinian security forces, in-
9 cluding detailed descriptions of the training, curriculum,
10 and equipment provided; an assessment of the training
11 and the performance of forces after training has been com-
12 pleted; and a description of the assistance that has been
13 pledged and provided to Palestinian security forces by
14 other donors: *Provided*, That not later than 90 days after
15 the date of enactment of this Act, the Secretary of State
16 shall report to the Committees on Appropriations, in clas-
17 sified form if necessary, on the security strategy of the
18 Palestinian Authority.

19 WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA

20 SEC. 1405. (a) WAIVER AUTHORITY.—

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

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

3 (A) the implementation and verification of
4 the compliance by North Korea with its com-
5 mitment, undertaken in the Joint Statement of
6 September 19, 2005, to abandon all nuclear
7 weapons and existing nuclear programs as part
8 of the verifiable denuclearization of the Korean
9 Peninsula; and

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

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

17 (b) EXCEPTIONS.—

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

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

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

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

15 (A) an activity described in subparagraph
16 (A) of section 102(b)(1) of the Arms Export
17 Control Act that occurs after September 19,
18 2005, and before the date of the enactment of
19 this Act;

20 (B) an activity described in subparagraph
21 (C) of such section that occurs after September
22 19, 2005; or

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

1 (3) EXCEPTION RELATED TO CERTAIN ACTIVI-
2 TIES OCCURRING AFTER DATE OF ENACTMENT.—
3 The authority under subsection (a) shall not apply
4 with respect to an activity described in subparagraph
5 (A) or (B) of section 102(b)(1) of the Arms Export
6 Control Act that occurs after the date of the enact-
7 ment of this Act.

8 (4) LIMITED EXCEPTION RELATED TO LETHAL
9 WEAPONS.—The authority under subsection (a) shall
10 not apply with respect to any export of lethal de-
11 fense articles that would be prevented by the appli-
12 cation of section 102(b)(2) of the Arms Export Con-
13 trol Act.

14 (c) NOTIFICATIONS AND REPORTS.—

15 (1) CONGRESSIONAL NOTIFICATION.—The
16 President shall notify the appropriate congressional
17 committees in writing not later than 15 days before
18 exercising the waiver authority under subsection (a).

19 (2) ANNUAL REPORT.—Not later than January
20 31, 2009, and annually thereafter, the President
21 shall submit to the appropriate congressional com-
22 mittees a report that—

23 (A) lists all waivers issued under sub-
24 section (a) during the preceding year;

1 (B) describes in detail the progress that is
2 being made in the implementation of the com-
3 mitment undertaken by North Korea, in the
4 Joint Statement of September 19, 2005, to
5 abandon all nuclear weapons and existing nu-
6 clear programs as part of the verifiable
7 denuclearization of the Korean Peninsula;

8 (C) discusses specifically any shortcomings
9 in the implementation by North Korea of that
10 commitment; and

11 (D) lists and describes the progress and
12 shortcomings, in the preceding year, of all other
13 programs promoting the elimination of the ca-
14 pability of North Korea to develop, deploy,
15 transfer, or maintain weapons of mass destruc-
16 tion or their delivery systems.

17 (3) REPORT ON VERIFICATION MEASURES RE-
18 LATING TO NORTH KOREA'S NUCLEAR PROGRAMS.—

19 (A) IN GENERAL.—Not later than 15 days
20 after the date of enactment of this Act, the Sec-
21 retary of State shall submit to the appropriate
22 congressional committees a report on
23 verification measures relating to North Korea's
24 nuclear programs under the Six-Party Talks
25 Agreement of February 13, 2007, with specific

1 focus on how such verification measures are de-
2 fined under the Six-Party Talks Agreement and
3 understood by the United States Government.

4 (B) MATTERS TO BE INCLUDED.—The re-
5 port required under subsection (A) shall in-
6 clude, among other elements, a description of—

7 (i) how the United States will confirm
8 that North Korea has “provided a com-
9 plete and correct declaration of all of its
10 nuclear programs”;

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

16 (iii) any diplomatic agreement with
17 North Korea regarding verification meas-
18 ures relating to North Korea’s nuclear pro-
19 grams under the Six-Party Talks Agree-
20 ment (other than implementing arrange-
21 ments made during on-site operations);
22 and

23 (iv) any significant and continuing
24 disagreement with North Korea regarding
25 verification measures relating to North Ko-

1 corruption, and rule of law activities: *Provided*, That none
2 of the funds made available under this section shall be
3 made available for budget support or as cash payments:
4 *Provided further*, That not more than 45 days after enact-
5 ment of this Act, and after consulting with relevant Mexi-
6 can Government authorities, the Secretary of State shall
7 report in writing to the Committees on Appropriations on
8 the procedures in place to implement section 620J of the
9 Foreign Assistance Act of 1961.

10 (b) ALLOCATION OF FUNDS.—Fifteen percent of the
11 funds made available in this chapter for assistance for
12 Mexico under the headings “International Narcotics Con-
13 trol and Law Enforcement” and “Foreign Military Fi-
14 nancing Program” may not be obligated until the Sec-
15 retary of State reports in writing to the Committees on
16 Appropriations that the Government of Mexico is—

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

1 (2) establishing a mechanism for regular con-
2 sultations among relevant Mexican Government au-
3 thorities, Mexican human rights organizations and
4 other relevant Mexican civil society organizations, to
5 make recommendations concerning implementation
6 of the Merida Initiative in accordance with Mexican
7 and international law;

8 (3) ensuring that civilian prosecutors and judi-
9 cial authorities are investigating and prosecuting, in
10 accordance with Mexican and international law,
11 members of the federal police and military forces
12 who have been credibly alleged to have committed
13 violations of human rights, and the federal police
14 and military forces are fully cooperating with the in-
15 vestigations; and

16 (4) enforcing the prohibition, in accordance
17 with Mexican and international law, on the use of
18 testimony obtained through torture or other ill-treat-
19 ment.

20 (c) EXCEPTION.—Notwithstanding subsection (b), of
21 the funds appropriated by subchapter A for assistance for
22 Mexico under the heading “International Narcotics Con-
23 trol and Law Enforcement”, \$3,000,000 shall be made
24 available for technical and other assistance to enable the

1 Government of Mexico to implement a unified national
2 registry of federal, state, and municipal police officers.

3 (d) REPORT.—The report required in subsection (b)
4 shall include a description of actions taken with respect
5 to each requirement and the cases or issues brought to
6 the attention of the Secretary of State for which the re-
7 sponse or action taken has been inadequate.

8 (e) NOTIFICATION.—Funds made available for Mex-
9 ico by this chapter shall be subject to the regular notifica-
10 tion procedures of the Committees on Appropriations and
11 section 634A of the Foreign Assistance Act of 1961 (22
12 U.S.C. 2394–1).

13 (f) SPENDING PLAN.—Not later than 45 days after
14 the date of the enactment of this Act, the Secretary of
15 State shall submit to the Committees on Appropriations
16 a detailed spending plan for funds appropriated or other-
17 wise made available for Mexico by this chapter, which shall
18 include a strategy, developed after consulting with relevant
19 Mexican Government authorities, for combating drug traf-
20 ficking and related violence and organized crime, judicial
21 reform, institution building, anti-corruption, and rule of
22 law activities, with concrete goals, actions to be taken,
23 budget proposals, and anticipated results.

24 CENTRAL AMERICA

25 SEC. 1407. (a) ASSISTANCE FOR THE COUNTRIES OF
26 CENTRAL AMERICA.—Of the funds appropriated in sub-

1 chapter A under the headings “International Narcotics
2 Control and Law Enforcement”, “Foreign Military Fi-
3 nancing Program”, “Nonproliferation, Anti-Terrorism,
4 Demining and Related Programs”, and “Economic Sup-
5 port Fund”, \$65,000,000 may be made available for as-
6 sistance for the countries of Central America, Haiti, and
7 the Dominican Republic only to combat drug trafficking
8 and related violence and organized crime, and for judicial
9 reform, institution building, anti-corruption, rule of law
10 activities, and maritime security: *Provided*, That of the
11 funds appropriated under the heading “Economic Support
12 Fund”, \$25,000,000 shall be made available for an Eco-
13 nomic and Social Development Fund for Central America,
14 of which \$20,000,000 shall be made available through the
15 United States Agency for International Development and
16 \$5,000,000 shall be made available through the Depart-
17 ment of State for educational exchange programs: *Pro-*
18 *vided further*, That of the funds appropriated in sub-
19 chapter A under the heading “International Narcotics
20 Control and Law Enforcement”, \$2,500,000 shall be made
21 available for assistance for Haiti, \$2,500,000 shall be
22 made available for assistance for the Dominican Republic,
23 and \$1,000,000 shall be made available for a United
24 States contribution to the International Commission
25 Against Impunity in Guatemala: *Provided further*, That

1 none of the funds shall be made available for budget sup-
2 port or as cash payments: *Provided further*, That not more
3 than 45 days after enactment of this Act, the Secretary
4 of State shall report in writing to the Committees on Ap-
5 propriations on the procedures in place to implement sec-
6 tion 620J of the Foreign Assistance Act of 1961.

7 (b) ALLOCATION OF FUNDS.—Fifteen percent of the
8 funds made available by this chapter for assistance for the
9 countries of Central America, Haiti and the Dominican
10 Republic under the headings “International Narcotics
11 Control and Law Enforcement” and “Foreign Military Fi-
12 nancing Program” may not be obligated until the Sec-
13 retary of State reports in writing to the Committees on
14 Appropriations that the government of such country is—

15 (1) establishing police complaints commissions
16 with authority and independence to receive com-
17 plaints and carry out effective investigations;

18 (2) implementing reforms to improve the capac-
19 ity and ensure the independence of the judiciary;
20 and

21 (3) investigating and prosecuting members of
22 the federal police and military forces who have been
23 credibly alleged to have committed violations of
24 human rights.

1 (c) REPORT.—The report required in subsection (b)
2 shall include actions taken with respect to each require-
3 ment and the cases or issues brought to the attention of
4 the Secretary of State for which the response or action
5 taken has been inadequate.

6 (d) NOTIFICATION.—Funds made available for assist-
7 ance for the countries of Central America, Haiti and the
8 Dominican Republic in subchapter A shall be subject to
9 the regular notification procedures of the Committees on
10 Appropriations and section 634A of the Foreign Assist-
11 ance Act of 1961 (22 U.S.C. 2394–1).

12 (e) SPENDING PLAN.—Not later than 45 days after
13 enactment of this Act, the Secretary of State shall submit
14 to the Committees on Appropriations a detailed spending
15 plan for funds appropriated or otherwise made available
16 for the countries of Central America, Haiti and the Do-
17 minican Republic in subchapter A, which shall include a
18 strategy for combating drug trafficking and related vio-
19 lence and organized crime, judicial reform, institution
20 building, anti-corruption, and rule of law activities, with
21 concrete goals, actions to be taken, budget proposals and
22 anticipated results.

23 (f) DEFINITION.—For the purposes of this section,
24 the term “countries of Central America” means Belize,

1 Costa Rica, El Salvador, Guatemala, Honduras, Nica-
2 ragua, and Panama.

3 BUYING POWER MAINTENANCE ACCOUNT

4 (INCLUDING TRANSFERS OF FUNDS)

5 SEC. 1408. (a) Of the funds appropriated under the
6 heading “Diplomatic and Consular Programs” and allo-
7 cated by section 3810 of the U.S. Troop Readiness, Vet-
8 erans’ Care, Katrina Recovery, and Iraq Accountability
9 Appropriations Act, 2007 (Public Law 110–28),
10 \$26,000,000 shall be transferred to and merged with
11 funds in the “Buying Power Maintenance Account”: *Pro-*
12 *vided*, That of the funds made available by this chapter
13 up to an additional \$74,000,000 may be transferred to
14 and merged with the “Buying Power Maintenance Ac-
15 count”, subject to the regular notification procedures of
16 the Committees on Appropriations and in accordance with
17 the procedures in section 34 of the State Department
18 Basic Authorities Act of 1956 (22 U.S.C. 2706). Any
19 funds transferred pursuant to this section shall be avail-
20 able, without fiscal year limitation, pursuant to section 24
21 of the State Department Basic Authorities Act of 1956
22 (22 U.S.C. 2696).

23 (b) Section 24(b)(7) of the State Department Basic
24 Authorities Act of 1956 (22 U.S.C. 2696(b)(7)) is amend-
25 ed by amending subparagraph (D) to read as follows:

1 February 21, 2008 attack on such embassy. Section 8002
2 of this Act shall not apply to this section.

3 RESCISSIONS

4 SEC. 1410. (a) WORLD FOOD PROGRAM.—

5 (1) For an additional amount for a contribution
6 to the World Food Program to assist farmers in
7 countries affected by food shortages to increase crop
8 yields, notwithstanding any other provision of law,
9 \$20,000,000, to remain available until expended.

10 (2) Of the funds appropriated under the head-
11 ing “Andean Counterdrug Initiative” in prior Acts
12 making appropriations for foreign operations, export
13 financing, and related programs, \$20,000,000 are
14 rescinded.

15 (b) SUDAN.—

16 (1) For an additional amount for “International
17 Narcotics Control and Law Enforcement”,
18 \$10,000,000, for assistance for Sudan to support
19 formed police units, to remain available until Sep-
20 tember 30, 2009, and subject to prior consultation
21 with the Committees on Appropriations.

22 (2) Of the funds appropriated under the head-
23 ing “International Narcotics Control and Law En-
24 forcement” in prior Acts making appropriations for
25 foreign operations, export financing, and related pro-
26 grams, \$10,000,000 are rescinded.

1 (c) RESCISSION.—Of the unobligated balances of
2 funds appropriated for “Iraq Relief and Reconstruction
3 Fund” in prior Acts making appropriations for foreign op-
4 erations, export financing, and related programs,
5 \$50,000,000 are rescinded.

6 (d) EXCEPTION.—Section 8002 of this Act shall not
7 apply to subsections (a) and (b) of this section.

8 DARFUR PEACEKEEPING

9 SEC. 1411. Funds appropriated under the headings
10 “Foreign Military Financing Program” and “Peace-
11 keeping Operations” by the Department of State, Foreign
12 Operations, and Related Programs Appropriations Act,
13 2008 (division J of Public Law 110–161) and by prior
14 Acts making appropriations for foreign operations, export
15 financing, and related programs may be used to transfer,
16 equip, upgrade, refurbish or lease helicopters or related
17 equipment necessary to support the operations of the Afri-
18 can Union/United Nations peacekeeping operation in
19 Darfur, Sudan, that was established pursuant to United
20 Nations Security Council Resolution 1769. The President
21 may utilize the authority of sections 506 or 516 of the
22 Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j)
23 or section 61 of the Arms Export Control Act (22 U.S.C.
24 2796) in order to provide such support, notwithstanding
25 any other provision of law except for sections 502B(a)(2),
26 620A and 620J of the Foreign Assistance Act of 1961

1 (22 U.S.C. 2304(a)(2), 2371, 2378d) and section 40A of
2 the Arms Export Control Act (22 U.S.C. 2780). Any exer-
3 cise of the authorities provided by section 506 of the For-
4 eign Assistance Act pursuant to this section may include
5 the authority to acquire helicopters by contract.

6 TIBET

7 SEC. 1412. (a) Of the funds appropriated by this Act
8 or prior Acts making appropriations for the Department
9 of State, foreign operations and related programs under
10 the headings “Diplomatic and Consular Programs” and
11 “Embassy Security, Construction, and Maintenance”, up
12 to \$5,000,000 shall be made available to establish a
13 United States Consulate in Lhasa, Tibet.

14 (b) The Department of State should not consent to
15 opening a consular post in the United States by the Peo-
16 ple’s Republic of China until such time as the People’s
17 Republic of China consents to opening a United States
18 consular post in Lhasa, Tibet.

19 JORDAN

20 (INCLUDING RESCISSION OF FUNDS)

21 SEC. 1413. (a) For an additional amount for “Eco-
22 nomic Support Fund” for assistance for Jordan,
23 \$25,000,000, to remain available until September 30,
24 2009.

25 (b) For an additional amount for “Foreign Military
26 Financing Program” for assistance for Jordan,

1 \$33,000,000, to remain available until September 30,
2 2009.

3 (c) Of the unobligated balances of funds appropriated
4 under the heading “Millennium Challenge Corporation” in
5 prior Acts making appropriations for foreign operations,
6 export financing, and related programs, \$58,000,000 are
7 rescinded.

8 (d) Section 8002 of this Act shall not apply to this
9 section.

10 ALLOCATIONS

11 SEC. 1414. (a) Funds provided by this chapter for
12 the following accounts shall be made available for pro-
13 grams and countries in the amounts contained in the re-
14 spective tables included in the explanatory statement
15 printed in the Congressional Record accompanying this
16 Act:

17 “Diplomatic and Consular Programs”

18 “Economic Support Fund”.

19 (b) Any proposed increases or decreases to the
20 amounts contained in such tables in the explanatory state-
21 ment printed in the Congressional Record accompanying
22 this Act shall be subject to the regular notification proce-
23 dures of the Committees on Appropriations and section
24 634A of the Foreign Assistance Act of 1961.

1 REPROGRAMMING AUTHORITY

2 SEC. 1415. Notwithstanding any other provision of
3 law, to include minimum funding requirements or funding
4 directives, funds made available under the headings “De-
5 velopment Assistance” and “Economic Support Fund” in
6 prior Acts making appropriations for foreign operations,
7 export financing, and related programs may be made
8 available to address critical food shortages, subject to
9 prior consultation with, and the regular notification proce-
10 dures of, the Committees on Appropriations.

11 SPENDING PLANS AND NOTIFICATION PROCEDURES

12 SEC. 1416. (a) SUBCHAPTER A SPENDING PLAN.—
13 Not later than 45 days after the enactment of this Act,
14 the Secretary of State shall submit to the Committees on
15 Appropriations a report detailing planned expenditures for
16 funds appropriated under the headings in subchapter A,
17 except for funds appropriated under the headings “Inter-
18 national Disaster Assistance”, “Migration and Refugee
19 Assistance”, and “United States Emergency Refugee and
20 Migration Assistance Fund”.

21 (b) SUBCHAPTER B SPENDING PLAN.—The Sec-
22 retary of State shall submit to the Committees on Appro-
23 priations not later than November 1, 2008, and prior to
24 the initial obligation of funds, a detailed spending plan
25 for funds appropriated or otherwise made available in sub-
26 chapter B, except for funds appropriated under the head-

1 ings “International Disaster Assistance”, “Migration and
2 Refugee Assistance”, and “United States Emergency Ref-
3 ugee and Migration Assistance Fund”.

4 (c) NOTIFICATION.—Funds made available in this
5 chapter shall be subject to the regular notification proce-
6 dures of the Committees on Appropriations and section
7 634A of the Foreign Assistance Act of 1961.

8 TERMS AND CONDITIONS

9 SEC. 1417. Unless otherwise provided for in this Act,
10 funds appropriated or otherwise made available by this
11 chapter shall be available under the authorities and condi-
12 tions provided in the Department of State, Foreign Oper-
13 ations, and Related Programs Appropriations Act, 2008
14 (division J of Public Law 110–161), except that section
15 699K of such Act shall not apply to funds in this chapter.

16 TITLE II—DOMESTIC MATTERS

17 CHAPTER 1—FOOD AND DRUG

18 ADMINISTRATION

19 DEPARTMENT OF HEALTH AND HUMAN

20 SERVICES

21 FOOD AND DRUG ADMINISTRATION

22 SALARIES AND EXPENSES

23 For an additional amount for “Salaries and Ex-
24 penses”, \$150,000,000, to remain available until Sep-
25 tember 30, 2009: *Provided*, That of the amount provided:

26 (1) \$66,792,000 shall be for the Center for Food Safety

1 and Applied Nutrition and related field activities in the
2 Office of Regulatory Affairs; (2) \$28,019,000 shall be for
3 the Center for Drug Evaluation and Research and related
4 field activities in the Office of Regulatory Affairs; (3)
5 \$12,736,000 shall be for the Center for Biologics Evalua-
6 tion and Research and related field activities in the Office
7 of Regulatory Affairs; (4) \$6,057,000 shall be for the Cen-
8 ter for Veterinary Medicine and related field activities in
9 the Office of Regulatory Affairs; (5) \$20,094,000 shall be
10 for the Center for Devices and Radiological Health and
11 related field activities in the Office of Regulatory Affairs;
12 (6) \$3,396,000 shall be for the National Center for Toxi-
13 cological Research; and (7) \$12,906,000 shall be for other
14 activities, including the Office of the Commissioner, the
15 Office of Scientific and Medical Programs; the Office of
16 Policy, Planning and Preparedness; the Office of Inter-
17 national and Special Programs; the Office of Operations;
18 and central services for these offices.

1 OTHER AGENCIES

2 NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

3 SCIENCE, AERONAUTICS AND EXPLORATION

4 For an additional amount for “Science, Aeronautics
5 and Exploration”, \$62,500,000.

6 NATIONAL SCIENCE FOUNDATION

7 RESEARCH AND RELATED ACTIVITIES

8 For an additional amount for “Research and Related
9 Activities”, \$22,500,000, of which \$5,000,000 shall be
10 available solely for activities authorized by section
11 7002(b)(2)(A)(iv) of Public Law 110–69.

12 EDUCATION AND HUMAN RESOURCES

13 For an additional amount for “Education and
14 Human Resources”, \$40,000,000: *Provided*, That of the
15 amount provided, \$20,000,000 shall be available for activi-
16 ties authorized by section 10 of the National Science
17 Foundation Authorization Act of 2002 (42 U.S.C. 1862n–
18 1) and \$20,000,000 shall be available for activities author-
19 ized by section 10A of the National Science Foundation
20 Authorization Act of 2002 (42 U.S.C. 1862n–1a).

1 CHAPTER 3—ENERGY

2 DEPARTMENT OF ENERGY

3 ENERGY PROGRAMS

4 SCIENCE

5 For an additional amount for “Science”,
6 \$62,500,000, to remain available until expended.

7 ENVIRONMENTAL AND OTHER DEFENSE

8 ACTIVITIES

9 DEFENSE ENVIRONMENTAL CLEANUP

10 For an additional amount for “Defense Environ-
11 mental Cleanup”, \$62,500,000, to remain available until
12 expended.

13 CHAPTER 4—LABOR AND HEALTH AND HUMAN

14 SERVICES

15 DEPARTMENT OF LABOR

16 EMPLOYMENT AND TRAINING ADMINISTRATION

17 STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT

18 SERVICE OPERATIONS

19 For an additional amount for “State Unemployment
20 Insurance and Employment Service Operations” for
21 grants to the States for the administration of State unem-
22 ployment insurance, \$110,000,000, which may be ex-
23 pended from the Employment Security Administration Ac-
24 count in the Unemployment Trust Fund, to be used for
25 unemployment insurance workloads experienced by the

1 States through September 30, 2008, which shall be avail-
2 able for Federal obligation through December 31, 2008.

3 DEPARTMENT OF HEALTH AND HUMAN
4 SERVICES

5 NATIONAL INSTITUTES OF HEALTH

6 OFFICE OF THE DIRECTOR

7 (INCLUDING TRANSFER OF FUNDS)

8 For an additional amount for “Office of the Direc-
9 tor”, \$150,000,000, which shall be transferred to the In-
10 stitutes and Centers of the National Institutes of Health
11 and to the Common Fund established under section
12 402A(c)(1) of the Public Health Service Act in proportion
13 to the appropriations otherwise made to such Institutes,
14 Centers, and Common Fund for fiscal year 2008: *Pro-*
15 *vided*, That these funds shall be used to support additional
16 scientific research and shall be merged with and be avail-
17 able for the same purposes and for the same time period
18 as the appropriation or fund to which transferred: *Pro-*
19 *vided further*, That this transfer authority is in addition
20 to any other transfer authority available to the National
21 Institutes of Health: *Provided further*, That none of these
22 funds may be transferred to “National Institutes of
23 Health—Buildings and Facilities”, the Center for Scientific
24 Review, the Center for Information Technology, the Clin-
25 ical Center, the Global Fund for HIV/AIDS, Tuberculosis

1 and Malaria, or the Office of the Director (except for the
2 transfer to the Common Fund).

3 CHAPTER 5—LEGISLATIVE BRANCH

4 HOUSE OF REPRESENTATIVES

5 PAYMENT TO WIDOWS AND HEIRS OF DECEASED

6 MEMBERS OF CONGRESS

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

11 TITLE III—NATURAL DISASTER RELIEF AND

12 RECOVERY

13 CHAPTER 1—AGRICULTURE

14 DEPARTMENT OF AGRICULTURE

15 FARM SERVICE AGENCY

16 EMERGENCY CONSERVATION PROGRAM

17 For an additional amount for the “Emergency Con-
18 servation Program”, \$89,413,000, to remain available
19 until expended.

20 NATURAL RESOURCES CONSERVATION SERVICE

21 EMERGENCY WATERSHED PROTECTION PROGRAM

22 For an additional amount for the “Emergency Wa-
23 tershed Protection Program”, \$390,464,000, to remain
24 available until expended.

1 CHAPTER 2—COMMERCE

2 DEPARTMENT OF COMMERCE

3 ECONOMIC DEVELOPMENT ADMINISTRATION

4 ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

5 Pursuant to section 703 of the Public Works and
6 Economic Development Act (42 U.S.C. 3233), for an addi-
7 tional amount for “Economic Development Assistance
8 Programs”, for necessary expenses related to disaster re-
9 lief, long-term recovery, and restoration of infrastructure
10 in areas covered by a declaration of major disaster under
11 title IV of the Robert T. Stafford Disaster Relief and
12 Emergency Assistance Act (42 U.S.C. 5121 et seq.) as
13 a result of recent natural disasters, \$100,000,000, to re-
14 main available until expended.

15 CHAPTER 3—CORPS OF ENGINEERS

16 DEPARTMENT OF DEFENSE—CIVIL

17 DEPARTMENT OF THE ARMY

18 CORPS OF ENGINEERS—CIVIL

19 CONSTRUCTION

20 For an additional amount for “Construction”, for
21 necessary expenses to address emergency situations at
22 Corps of Engineers projects and rehabilitate and repair
23 damages to Corps projects caused by recent natural disas-
24 ters, \$61,700,000, to remain available until expended.

1 For an additional amount for “Construction”, for
2 necessary expenses related to the consequences of Hurri-
3 cane Katrina and other hurricanes of the 2005 season,
4 \$2,835,000,000, to become available on October 1, 2008,
5 and to remain available until expended: *Provided*, That the
6 Secretary of the Army is directed to use \$1,997,000,000
7 of the funds provided herein to modify authorized projects
8 in southeast Louisiana to provide hurricane, storm and
9 flood damage reduction in the greater New Orleans and
10 surrounding areas to the levels of protection necessary to
11 achieve the certification required for participation in the
12 National Flood Insurance Program under the base flood
13 elevations current at the time of enactment of this Act,
14 and shall use \$1,077,000,000 of those funds for the Lake
15 Pontchartrain and Vicinity project and \$920,000,000 of
16 those funds for the West Bank and Vicinity project: *Pro-*
17 *vided further*, That, in addition, \$838,000,000 of the
18 funds provided herein shall be for elements of Southeast
19 Louisiana Urban Drainage project within the geographic
20 perimeter of the West Bank and Vicinity and Lake Pont-
21 chartrain and Vicinity projects, to provide for interior
22 drainage of runoff from rainfall with a ten percent annual
23 exceedance probability: *Provided further*, That the
24 amounts provided herein shall be subject to a 65 percent
25 Federal / 35 percent non-Federal cost share for the speci-

1 fied purposes: *Provided further*, That beginning not later
2 than 60 days after the date of enactment of this Act, the
3 Chief of Engineers, acting through the Assistant Secretary
4 of the Army for Civil Works, shall provide monthly reports
5 to the Committees on Appropriations of the House of Rep-
6 resentatives and the Senate detailing the allocation and
7 obligation of these funds: *Provided further*, That the ex-
8 penditure of funds as provided above may be made without
9 regard to individual amounts or purposes except that any
10 reallocation of funds that is necessary to accomplish the
11 established goals is authorized subject to the approval of
12 the House and Senate Committees on Appropriations.

13 MISSISSIPPI RIVER AND TRIBUTARIES

14 For an additional amount for “Mississippi River and
15 Tributaries” for recovery from natural disasters,
16 \$17,590,000, to remain available until expended, to repair
17 damages to Federal projects caused by recent natural dis-
18 asters.

19 OPERATION AND MAINTENANCE

20 For an additional amount for “Operation and Main-
21 tenance” to dredge navigation channels and repair other
22 Corps projects related to natural disasters, \$298,344,000,
23 to remain available until expended: *Provided*, That the
24 Chief of Engineers, acting through the Assistant Secretary
25 of the Army for Civil Works, shall provide a monthly re-

1 port to the House and Senate Committees on Appropria-
2 tions detailing the allocation and obligation of these funds,
3 beginning not later than 60 days after enactment of this
4 Act.

5 FLOOD CONTROL AND COASTAL EMERGENCIES

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

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

1 nals and install pumps and closure structures at or near
2 the lakefront; \$90,000,000 shall be used for storm-proof-
3 ing interior pump stations to ensure the operability of the
4 stations during hurricanes, storms, and high water events;
5 \$459,000,000 shall be used for armoring critical elements
6 of the New Orleans hurricane and storm damage reduction
7 system; \$53,000,000 shall be used to improve protection
8 at the Inner Harbor Navigation Canal; \$456,000,000 shall
9 be used to replace or modify certain non-Federal levees
10 in Plaquemines Parish to incorporate the levees into the
11 existing New Orleans to Venice hurricane protection
12 project; \$412,000,000 shall be used for reinforcing or re-
13 placing flood walls, as necessary, in the existing Lake
14 Pontchartrain and Vicinity project and the existing West
15 Bank and Vicinity project to improve the performance of
16 the systems; \$393,000,000 shall be used for repair and
17 restoration of authorized protections and floodwalls; and
18 \$359,000,000 shall be to complete the authorized protec-
19 tion for the Lake Pontchartrain and Vicinity, West Bank
20 and Vicinity, and the New Orleans to Venice projects: *Pro-*
21 *vided further*, That the Secretary of the Army, within
22 available funds, is directed to continue the NEPA alter-
23 native evaluation of all options with particular attention
24 to Options 1, 2 and 2a of the report to Congress, dated
25 August 30, 2007, provided in response to the requirements

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

1 subject to the approval of the House and Senate Commit-
2 tees on Appropriations.

3 EXPENSES

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

9 CHAPTER 4—SMALL BUSINESS

10 SMALL BUSINESS ADMINISTRATION

11 DISASTER LOANS PROGRAM ACCOUNT

12 (INCLUDING TRANSFER OF FUNDS)

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

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

1 until expended, of which \$1,000,000 is for the Office of
2 Inspector General of the Small Business Administration
3 for audits and reviews of disaster loans and the disaster
4 loan program and shall be paid to appropriations for the
5 Office of Inspector General; of which \$94,814,000 is for
6 direct administrative expenses of loan making and serv-
7 icing to carry out the direct loan program, which may be
8 paid to appropriations for Salaries and Expenses; and of
9 which \$6,000,000 is for indirect administrative expenses,
10 which may be paid to appropriations for Salaries and Ex-
11 penses.

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

16 For an additional amount for “Disaster Relief”,
17 \$897,000,000, to remain available until expended.

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

22 PERMANENT SUPPORTIVE HOUSING

23 For the provision of 3,000 units of permanent sup-
24 portive housing as referenced in the Road Home Program
25 of the Louisiana Recovery Authority approved by the Sec-

1 retary of Housing and Urban Development, \$73,000,000,
2 to remain available until expended, of which \$20,000,000
3 shall be for project-based vouchers under section 8(o)(13)
4 of the United States Housing Act of 1937 (42 U.S.C.
5 1437f(o)(13)), including administrative expenses not to
6 exceed \$3,000,000, and \$50,000,000 shall be for grants
7 under the Shelter Plus Care program as authorized under
8 subtitle F of title IV of the McKinney-Vento Homeless As-
9 sistance Act (42 U.S.C. 11403 et seq.): *Provided*, That
10 the Secretary of Housing and Urban Development shall,
11 upon request, make funds available under this paragraph
12 to the State of Louisiana or its designee or designees,
13 upon request: *Provided further*, That notwithstanding any
14 other provision of law, for the purpose of administering
15 the amounts provided under this paragraph, the State of
16 Louisiana or its designee or designees may act in all re-
17 spects as a public housing agency as defined in section
18 3(b)(6) of the United States Housing Act of 1937 (42
19 U.S.C. 1437a(b)(6)): *Provided further*, That subpara-
20 graphs (B) and (D) of section 8(o)(13) of the United
21 States Housing Act of 1937 (42 U.S.C. 1437f(o)(13))
22 shall not apply with respect to vouchers made available
23 under this paragraph.

1 COMMUNITY PLANNING AND DEVELOPMENT

2 COMMUNITY DEVELOPMENT FUND

3 For an additional amount for “Community Develop-
4 ment Fund”, for necessary expenses related to disaster re-
5 lief, long-term recovery, and restoration of infrastructure
6 in areas covered by a declaration of major disaster under
7 title IV of the Robert T. Stafford Disaster Relief and
8 Emergency Assistance Act (42 U.S.C. 5121 et seq.) as
9 a result of recent natural disasters, \$300,000,000, to re-
10 main available until expended, for activities authorized
11 under title I of the Housing and Community Development
12 Act of 1974 (Public Law 93–383): *Provided*, That funds
13 provided under this heading shall be administered through
14 an entity or entities designated by the Governor of each
15 State: *Provided further*, That such funds may not be used
16 for activities reimbursable by or for which funds are made
17 available by the Federal Emergency Management Agency
18 or the Army Corps of Engineers: *Provided further*, That
19 funds allocated under this heading shall not adversely af-
20 fect the amount of any formula assistance received by a
21 State under this heading: *Provided further*, That each
22 State may use up to five percent of its allocation for ad-
23 ministrative costs: *Provided further*, That in administering
24 the funds under this heading, the Secretary of Housing
25 and Urban Development shall waive, or specify alternative

1 requirements for, any provision of any statute or regula-
2 tion that the Secretary administers in connection with the
3 obligation by the Secretary or the use by the recipient of
4 these funds or guarantees (except for requirements related
5 to fair housing, nondiscrimination, labor standards, and
6 the environment), upon a request by the State that such
7 waiver is required to facilitate the use of such funds or
8 guarantees, and a finding by the Secretary that such waiv-
9 er would not be inconsistent with the overall purpose of
10 the statute, as modified: *Provided further*, That the Sec-
11 retary may waive the requirement that activities benefit
12 persons of low and moderate income, except that at least
13 50 percent of the funds made available under this heading
14 must benefit primarily persons of low and moderate in-
15 come unless the Secretary otherwise makes a finding of
16 compelling need: *Provided further*, That the Secretary
17 shall publish in the Federal Register any waiver of any
18 statute or regulation that the Secretary administers pur-
19 suant to title I of the Housing and Community Develop-
20 ment Act of 1974 no later than 5 days before the effective
21 date of such waiver: *Provided further*, That every waiver
22 made by the Secretary must be reconsidered according to
23 the three previous provisos on the two-year anniversary
24 of the day the Secretary published the waiver in the Fed-
25 eral Register: *Provided further*, That prior to the obliga-

1 tion of funds each State shall submit a plan to the Sec-
2 retary detailing the proposed use of all funds, including
3 criteria for eligibility and how the use of these funds will
4 address long-term recovery and restoration of infrastruc-
5 ture: *Provided further*, That each State will report quar-
6 terly to the Committees on Appropriations on all awards
7 and uses of funds made available under this heading, in-
8 cluding specifically identifying all awards of sole-source
9 contracts and the rationale for making the award on a
10 sole-source basis: *Provided further*, That the Secretary
11 shall notify the Committees on Appropriations on any pro-
12 posed allocation of any funds and any related waivers
13 made pursuant to these provisions under this heading no
14 later than 5 days before such waiver is made: *Provided*
15 *further*, That the Secretary shall establish procedures to
16 prevent recipients from receiving any duplication of bene-
17 fits and report quarterly to the Committees on Appropria-
18 tions with regard to all steps taken to prevent fraud and
19 abuse of funds made available under this heading includ-
20 ing duplication of benefits.

21 TITLE IV—EMERGENCY UNEMPLOYMENT

22 COMPENSATION

23 FEDERAL-STATE AGREEMENTS

24 SEC. 4001. (a) IN GENERAL.—Any State which de-
25 sires to do so may enter into and participate in an agree-

1 ment under this title with the Secretary of Labor (in this
2 title referred to as the “Secretary”). Any State which is
3 a party to an agreement under this title may, upon pro-
4 viding 30 days’ written notice to the Secretary, terminate
5 such agreement.

6 (b) PROVISIONS OF AGREEMENT.—Any agreement
7 under subsection (a) shall provide that the State agency
8 of the State will make payments of emergency unemploy-
9 ment compensation to individuals who—

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

14 (2) have no rights to regular compensation or
15 extended compensation with respect to a week under
16 such law or any other State unemployment com-
17 pensation law or to compensation under any other
18 Federal law (except as provided under subsection
19 (e)); and

20 (3) are not receiving compensation with respect
21 to such week under the unemployment compensation
22 law of Canada.

23 (c) EXHAUSTION OF BENEFITS.—For purposes of
24 subsection (b)(1), an individual shall be deemed to have

1 exhausted such individual's rights to regular compensation
2 under a State law when—

3 (1) no payments of regular compensation can
4 be made under such law because such individual has
5 received all regular compensation available to such
6 individual based on employment or wages during
7 such individual's base period; or

8 (2) such individual's rights to such compensa-
9 tion have been terminated by reason of the expira-
10 tion of the benefit year with respect to which such
11 rights existed.

12 (d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes
13 of any agreement under this title—

14 (1) the amount of emergency unemployment
15 compensation which shall be payable to any indi-
16 vidual for any week of total unemployment shall be
17 equal to the amount of the regular compensation
18 (including dependents' allowances) payable to such
19 individual during such individual's benefit year
20 under the State law for a week of total unemploy-
21 ment;

22 (2) the terms and conditions of the State law
23 which apply to claims for regular compensation and
24 to the payment thereof shall apply to claims for

1 emergency unemployment compensation and the
2 payment thereof, except—

3 (A) that an individual shall not be eligible
4 for emergency unemployment compensation
5 under this title unless, in the base period with
6 respect to which the individual exhausted all
7 rights to regular compensation under the State
8 law, the individual had 20 weeks of full-time in-
9 sured employment or the equivalent in insured
10 wages, as determined under the provisions of
11 the State law implementing section 202(a)(5) of
12 the Federal-State Extended Unemployment
13 Compensation Act of 1970 (26 U.S.C. 3304
14 note); and

15 (B) where otherwise inconsistent with the
16 provisions of this title or with the regulations or
17 operating instructions of the Secretary promul-
18 gated to carry out this title; and

19 (3) the maximum amount of emergency unem-
20 ployment compensation payable to any individual for
21 whom an emergency unemployment compensation
22 account is established under section 4002 shall not
23 exceed the amount established in such account for
24 such individual.

1 (e) ELECTION BY STATES.—Notwithstanding any
2 other provision of Federal law (and if State law permits),
3 the Governor of a State that is in an extended benefit pe-
4 riod may provide for the payment of emergency unemploy-
5 ment compensation prior to extended compensation to in-
6 dividuals who otherwise meet the requirements of this sec-
7 tion.

8 (f) UNAUTHORIZED ALIENS INELIGIBLE.—A State
9 shall require as a condition of eligibility for emergency un-
10 employment compensation under this Act that each alien
11 who receives such compensation must be legally authorized
12 to work in the United States, as defined for purposes of
13 the Federal Unemployment Tax Act (26 U.S.C. 3301 et
14 seq.). In determining whether an alien meets the require-
15 ments of this subsection, a State must follow the proce-
16 dures provided in section 1137(d) of the Social Security
17 Act (42 U.S.C. 1320b–7(d)).

18 EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT

19 SEC. 4002. (a) IN GENERAL.—Any agreement under
20 this title shall provide that the State will establish, for
21 each eligible individual who files an application for emer-
22 gency unemployment compensation, an emergency unem-
23 ployment compensation account with respect to such indi-
24 vidual's benefit year.

25 (b) AMOUNT IN ACCOUNT.—

1 (1) IN GENERAL.—The amount established in
2 an account under subsection (a) shall be equal to the
3 lesser of—

4 (A) 50 percent of the total amount of reg-
5 ular compensation (including dependents' allow-
6 ances) payable to the individual during the indi-
7 vidual's benefit year under such law, or

8 (B) 13 times the individual's average week-
9 ly benefit amount for the benefit year.

10 (2) WEEKLY BENEFIT AMOUNT.—For purposes
11 of this subsection, an individual's weekly benefit
12 amount for any week is the amount of regular com-
13 pensation (including dependents' allowances) under
14 the State law payable to such individual for such
15 week for total unemployment.

16 PAYMENTS TO STATES HAVING AGREEMENTS FOR THE
17 PAYMENT OF EMERGENCY UNEMPLOYMENT COM-
18 PENSATION

19 SEC. 4003. (a) GENERAL RULE.—There shall be paid
20 to each State that has entered into an agreement under
21 this title an amount equal to 100 percent of the emergency
22 unemployment compensation paid to individuals by the
23 State pursuant to such agreement.

24 (b) TREATMENT OF REIMBURSABLE COMPENSA-
25 TION.—No payment shall be made to any State under this
26 section in respect of any compensation to the extent the

1 State is entitled to reimbursement in respect of such com-
2 pensation under the provisions of any Federal law other
3 than this title or chapter 85 of title 5, United States Code.
4 A State shall not be entitled to any reimbursement under
5 such chapter 85 in respect of any compensation to the ex-
6 tent the State is entitled to reimbursement under this title
7 in respect of such compensation.

8 (c) DETERMINATION OF AMOUNT.—Sums payable to
9 any State by reason of such State having an agreement
10 under this title shall be payable, either in advance or by
11 way of reimbursement (as may be determined by the Sec-
12 retary), in such amounts as the Secretary estimates the
13 State will be entitled to receive under this title for each
14 calendar month, reduced or increased, as the case may be,
15 by any amount by which the Secretary finds that the Sec-
16 retary's estimates for any prior calendar month were
17 greater or less than the amounts which should have been
18 paid to the State. Such estimates may be made on the
19 basis of such statistical, sampling, or other method as may
20 be agreed upon by the Secretary and the State agency of
21 the State involved.

22 FINANCING PROVISIONS

23 SEC. 4004. (a) IN GENERAL.—Funds in the extended
24 unemployment compensation account (as established by
25 section 905(a) of the Social Security Act (42 U.S.C.
26 1105(a)) of the Unemployment Trust Fund (as estab-

1 lished by section 904(a) of such Act (42 U.S.C. 1104(a))
2 shall be used for the making of payments to States having
3 agreements entered into under this title.

4 (b) CERTIFICATION.—The Secretary shall from time
5 to time certify to the Secretary of the Treasury for pay-
6 ment to each State the sums payable to such State under
7 this title. The Secretary of the Treasury, prior to audit
8 or settlement by the Government Accountability Office,
9 shall make payments to the State in accordance with such
10 certification, by transfers from the extended unemploy-
11 ment compensation account (as so established) to the ac-
12 count of such State in the Unemployment Trust Fund (as
13 so established).

14 (c) ASSISTANCE TO STATES.—There are appro-
15 priated out of the employment security administration ac-
16 count (as established by section 901(a) of the Social Secu-
17 rity Act (42 U.S.C. 1101(a)) of the Unemployment Trust
18 Fund, without fiscal year limitation, such funds as may
19 be necessary for purposes of assisting States (as provided
20 in title III of the Social Security Act (42 U.S.C. 501 et
21 seq.)) in meeting the costs of administration of agree-
22 ments under this title.

23 (d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—
24 There are appropriated from the general fund of the
25 Treasury, without fiscal year limitation, to the extended

1 unemployment compensation account (as so established)
2 of the Unemployment Trust Fund (as so established) such
3 sums as the Secretary estimates to be necessary to make
4 the payments under this section in respect of—

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

7 (2) compensation payable on the basis of serv-
8 ices to which section 3309(a)(1) of the Internal Rev-
9 enue Code of 1986 applies.

10 Amounts appropriated pursuant to the preceding sentence
11 shall not be required to be repaid.

12 FRAUD AND OVERPAYMENTS

13 SEC. 4005. (a) IN GENERAL.—If an individual know-
14 ingly has made, or caused to be made by another, a false
15 statement or representation of a material fact, or know-
16 ingly has failed, or caused another to fail, to disclose a
17 material fact, and as a result of such false statement or
18 representation or of such nondisclosure such individual
19 has received an amount of emergency unemployment com-
20 pensation under this title to which such individual was not
21 entitled, such individual—

22 (1) shall be ineligible for further emergency un-
23 employment compensation under this title in accord-
24 ance with the provisions of the applicable State un-
25 employment compensation law relating to fraud in

1 connection with a claim for unemployment com-
2 pensation; and

3 (2) shall be subject to prosecution under section
4 1001 of title 18, United States Code.

5 (b) REPAYMENT.—In the case of individuals who
6 have received amounts of emergency unemployment com-
7 pensation under this title to which they were not entitled,
8 the State shall require such individuals to repay the
9 amounts of such emergency unemployment compensation
10 to the State agency, except that the State agency may
11 waive such repayment if it determines that—

12 (1) the payment of such emergency unemploy-
13 ment compensation was without fault on the part of
14 any such individual; and

15 (2) such repayment would be contrary to equity
16 and good conscience.

17 (c) RECOVERY BY STATE AGENCY.—

18 (1) IN GENERAL.—The State agency may re-
19 cover the amount to be repaid, or any part thereof,
20 by deductions from any emergency unemployment
21 compensation payable to such individual under this
22 title or from any unemployment compensation pay-
23 able to such individual under any State or Federal
24 unemployment compensation law administered by
25 the State agency or under any other State or Fed-

1 Unemployment Compensation Act of 1970 (26 U.S.C.
2 3304 note).

3 APPLICABILITY

4 SEC. 4007. (a) IN GENERAL.—Except as provided in
5 subsection (b), an agreement entered into under this title
6 shall apply to weeks of unemployment—

7 (1) beginning after the date on which such
8 agreement is entered into; and

9 (2) ending on or before March 31, 2009.

10 (b) TRANSITION FOR AMOUNT REMAINING IN AC-
11 COUNT.—

12 (1) IN GENERAL.—Subject to paragraph (2), in
13 the case of an individual who has amounts remain-
14 ing in an account established under section 4002 as
15 of the last day of the last week (as determined in
16 accordance with the applicable State law) ending on
17 or before March 31, 2009, emergency unemployment
18 compensation shall continue to be payable to such
19 individual from such amounts for any week begin-
20 ning after such last day for which the individual
21 meets the eligibility requirements of this title.

22 (2) LIMIT ON COMPENSATION.—No compensa-
23 tion shall be payable by reason of paragraph (1) for
24 any week beginning after June 30, 2009.

1 TITLE V—VETERANS EDUCATIONAL
2 ASSISTANCE
3 SHORT TITLE

4 SEC. 5001. This title may be cited as the “Post-9/
5 11 Veterans Educational Assistance Act of 2008”.

6 FINDINGS

7 SEC. 5002. Congress makes the following findings:

8 (1) On September 11, 2001, terrorists attacked
9 the United States, and the brave members of the
10 Armed Forces of the United States were called to
11 the defense of the Nation.

12 (2) Service on active duty in the Armed Forces
13 has been especially arduous for the members of the
14 Armed Forces since September 11, 2001.

15 (3) The United States has a proud history of
16 offering educational assistance to millions of vet-
17 erans, as demonstrated by the many “G.I. Bills” en-
18 acted since World War II. Educational assistance for
19 veterans helps reduce the costs of war, assist vet-
20 erans in readjusting to civilian life after wartime
21 service, and boost the United States economy, and
22 has a positive effect on recruitment for the Armed
23 Forces.

24 (4) The current educational assistance program
25 for veterans is outmoded and designed for peacetime
26 service in the Armed Forces.

1 (5) The people of the United States greatly
2 value military service and recognize the difficult
3 challenges involved in readjusting to civilian life
4 after wartime service in the Armed Forces.

5 (6) It is in the national interest for the United
6 States to provide veterans who serve on active duty
7 in the Armed Forces after September 11, 2001, with
8 enhanced educational assistance benefits that are
9 worthy of such service and are commensurate with
10 the educational assistance benefits provided by a
11 grateful Nation to veterans of World War II.

12 EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE
13 ARMED FORCES WHO SERVE AFTER SEPTEMBER 11, 2001
14 SEC. 5003. (a) EDUCATIONAL ASSISTANCE AUTHOR-
15 IZED.—

16 (1) IN GENERAL.—Part III of title 38, United
17 States Code, is amended by inserting after chapter
18 32 the following new chapter:

19 **“CHAPTER 33—POST-9/11 EDUCATIONAL**
20 **ASSISTANCE**

“SUBCHAPTER I—DEFINITIONS

“Sec.
“3301. Definitions.

“SUBCHAPTER II—EDUCATIONAL ASSISTANCE

“3311. Educational assistance for service in the Armed Forces commencing on
or after September 11, 2001: entitlement.
“3312. Educational assistance: duration.
“3313. Educational assistance: amount; payment.
“3314. Tutorial assistance.

- “3315. Licensure and certification tests.
- “3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service.
- “3317. Public-private contributions for additional educational assistance.
- “3318. Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education.
- “3319. Authority to transfer unused education benefits to family members.

“SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

- “3321. Time limitation for use of and eligibility for entitlement.
- “3322. Bar to duplication of educational assistance benefits.
- “3323. Administration.
- “3324. Allocation of administration and costs.

1 “SUBCHAPTER I—DEFINITIONS

2 **“§ 3301. Definitions**

3 “In this chapter:

4 “(1) The term ‘active duty’ has the meanings
5 as follows (subject to the limitations specified in sec-
6 tions 3002(6) and 3311(b)):

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

10 “(B) In the case of members of the reserve
11 components of the Armed Forces, service on ac-
12 tive duty under a call or order to active duty
13 under section 688, 12301(a), 12301(d),
14 12301(g), 12302, or 12304 of title 10.

15 “(2) The term ‘entry level and skill training’
16 means the following:

1 “(A) In the case of members of the Army,
2 Basic Combat Training and Advanced Indi-
3 vidual Training.

4 “(B) In the case of members of the Navy,
5 Recruit Training (or Boot Camp) and Skill
6 Training (or so-called ‘A’ School).

7 “(C) In the case of members of the Air
8 Force, Basic Military Training and Technical
9 Training.

10 “(D) In the case of members of the Marine
11 Corps, Recruit Training and Marine Corps
12 Training (or School of Infantry Training).

13 “(E) In the case of members of the Coast
14 Guard, Basic Training.

15 “(3) The term ‘program of education’ has the
16 meaning given such term in section 3002, except to
17 the extent otherwise provided in section 3313.

18 “(4) The term ‘Secretary of Defense’ means the
19 Secretary of Defense, except that the term means
20 the Secretary of Homeland Security with respect to
21 the Coast Guard when it is not operating as a serv-
22 ice in the Navy.

1 “SUBCHAPTER II—EDUCATIONAL ASSISTANCE
2 **“§ 3311. Educational assistance for service in the**
3 **Armed Forces commencing on or after**
4 **September 11, 2001: entitlement**

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

8 “(b) COVERED INDIVIDUALS.—An individual de-
9 scribed in this subsection is any individual as follows:

10 “(1) An individual who—

11 “(A) commencing on or after September
12 11, 2001, serves an aggregate of at least 36
13 months on active duty in the Armed Forces (in-
14 cluding service on active duty in entry level and
15 skill training); and

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

18 “(i) continues on active duty; or

19 “(ii) is discharged or released from
20 active duty as described in subsection (c).

21 “(2) An individual who—

22 “(A) commencing on or after September
23 11, 2001, serves at least 30 continuous days on
24 active duty in the Armed Forces; and

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

5 “(3) An individual who—

6 “(A) commencing on or after September
7 11, 2001, serves an aggregate of at least 30
8 months, but less than 36 months, on active
9 duty in the Armed Forces (including service on
10 active duty in entry level and skill training);
11 and

12 “(B) after completion of service described
13 in subparagraph (A)—

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

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

20 “(4) An individual who—

21 “(A) commencing on or after September
22 11, 2001, serves an aggregate of at least 24
23 months, but less than 30 months, on active
24 duty in the Armed Forces (including service on

1 active duty in entry level and skill training);
2 and

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

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

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

11 “(5) An individual who—

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

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

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

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

1 “(6) An individual who—

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

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

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

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

16 “(7) An individual who—

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

23 “(B) after completion of service described
24 in subparagraph (A)—

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

3 “(ii) before completion of service on
4 active duty of an aggregate of 12 months,
5 is discharged or released from active duty
6 as described in subsection (c).

7 “(8) An individual who—

8 “(A) commencing on or after September
9 11, 2001, serves an aggregate of at least 90
10 days, but less than 6 months, on active duty in
11 the Armed Forces (excluding service on active
12 duty in entry level and skill training); and

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

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

17 “(ii) before completion of service on
18 active duty of an aggregate of 6 months, is
19 discharged or released from active duty as
20 described in subsection (c).

21 “(c) COVERED DISCHARGES AND RELEASES.—A dis-
22 charge or release from active duty of an individual de-
23 scribed in this subsection is a discharge or release as fol-
24 lows:

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

3 “(2) A release after service on active duty in
4 the Armed Forces characterized by the Secretary
5 concerned as honorable service and placement on the
6 retired list, transfer to the Fleet Reserve or Fleet
7 Marine Corps Reserve, or placement on the tem-
8 porary disability retired list.

9 “(3) A release from active duty in the Armed
10 Forces for further service in a reserve component of
11 the Armed Forces after service on active duty char-
12 acterized by the Secretary concerned as honorable
13 service.

14 “(4) A discharge or release from active duty in
15 the Armed Forces for—

16 “(A) a medical condition which preexisted
17 the service of the individual as described in the
18 applicable paragraph of subsection (b) and
19 which the Secretary determines is not service-
20 connected;

21 “(B) hardship; or

22 “(C) a physical or mental condition that
23 was not characterized as a disability and did
24 not result from the individual’s own willful mis-
25 conduct but did interfere with the individual’s

1 performance of duty, as determined by the Sec-
2 retary concerned in accordance with regulations
3 prescribed by the Secretary of Defense.

4 “(d) PROHIBITION ON TREATMENT OF CERTAIN
5 SERVICE AS PERIOD OF ACTIVE DUTY.—The following
6 periods of service shall not be considered a part of the
7 period of active duty on which an individual’s entitlement
8 to educational assistance under this chapter is based:

9 “(1) A period of service on active duty of an of-
10 ficer pursuant to an agreement under section
11 2107(b) of title 10.

12 “(2) A period of service on active duty of an of-
13 ficer pursuant to an agreement under section 4348,
14 6959, or 9348 of title 10.

15 “(3) A period of service that is terminated be-
16 cause of a defective enlistment and induction based
17 on—

18 “(A) the individual’s being a minor for
19 purposes of service in the Armed Forces;

20 “(B) an erroneous enlistment or induction;

21 or

22 “(C) a defective enlistment agreement.

23 “(e) TREATMENT OF INDIVIDUALS ENTITLED
24 UNDER MULTIPLE PROVISIONS.—In the event an indi-
25 vidual entitled to educational assistance under this chapter

1 is entitled by reason of both paragraphs (4) and (5) of
2 subsection (b), the individual shall be treated as being en-
3 titled to educational assistance under this chapter by rea-
4 son of paragraph (5) of subsection (b).

5 **“§ 3312. Educational assistance: duration**

6 “(a) IN GENERAL.—Subject to section 3695 and ex-
7 cept as provided in subsections (b) and (c), an individual
8 entitled to educational assistance under this chapter is en-
9 titled to a number of months of educational assistance
10 under section 3313 equal to 36 months.

11 “(b) CONTINUING RECEIPT.—The receipt of edu-
12 cational assistance under section 3313 by an individual
13 entitled to educational assistance under this chapter is
14 subject to the provisions of section 3321(b)(2).

15 “(c) DISCONTINUATION OF EDUCATION FOR ACTIVE
16 DUTY.—

17 “(1) IN GENERAL.—Any payment of edu-
18 cational assistance described in paragraph (2) shall
19 not—

20 “(A) be charged against any entitlement to
21 educational assistance of the individual con-
22 cerned under this chapter; or

23 “(B) be counted against the aggregate pe-
24 riod for which section 3695 limits the individ-

1 ual's receipt of educational assistance under
2 this chapter.

3 “(2) DESCRIPTION OF PAYMENT OF EDU-
4 CATIONAL ASSISTANCE.—Subject to paragraph (3),
5 the payment of educational assistance described in
6 this paragraph is the payment of such assistance to
7 an individual for pursuit of a course or courses
8 under this chapter if the Secretary finds that the in-
9 dividual—

10 “(A)(i) in the case of an individual not
11 serving on active duty, had to discontinue such
12 course pursuit as a result of being called or or-
13 dered to serve on active duty under section 688,
14 12301(a), 12301(d), 12301(g), 12302, or
15 12304 of title 10; or

16 “(ii) in the case of an individual serving on
17 active duty, had to discontinue such course pur-
18 suit as a result of being ordered to a new duty
19 location or assignment or to perform an in-
20 creased amount of work; and

21 “(B) failed to receive credit or lost training
22 time toward completion of the individual's ap-
23 proved education, professional, or vocational ob-
24 jective as a result of having to discontinue, as

1 described in subparagraph (A), the individual's
2 course pursuit.

3 “(3) PERIOD FOR WHICH PAYMENT NOT
4 CHARGED.—The period for which, by reason of this
5 subsection, educational assistance is not charged
6 against entitlement or counted toward the applicable
7 aggregate period under section 3695 of this title
8 shall not exceed the portion of the period of enroll-
9 ment in the course or courses from which the indi-
10 vidual failed to receive credit or with respect to
11 which the individual lost training time, as deter-
12 mined under paragraph (2)(B).

13 **“§ 3313. Educational assistance: amount; payment**

14 “(a) PAYMENT.—The Secretary shall pay to each in-
15 dividual entitled to educational assistance under this chap-
16 ter who is pursuing an approved program of education
17 (other than a program covered by subsections (e) and (f))
18 the amounts specified in subsection (c) to meet the ex-
19 penses of such individual's subsistence, tuition, fees, and
20 other educational costs for pursuit of such program of
21 education.

22 “(b) APPROVED PROGRAMS OF EDUCATION.—A pro-
23 gram of education is an approved program of education
24 for purposes of this chapter if the program of education
25 is offered by an institution of higher learning (as that

1 term is defined in section 3452(f)) and is approved for
2 purposes of chapter 30 (including approval by the State
3 approving agency concerned).

4 “(c) AMOUNT OF EDUCATIONAL ASSISTANCE.—The
5 amounts payable under this subsection for pursuit of an
6 approved program of education are amounts as follows:

7 “(1) In the case of an individual entitled to
8 educational assistance under this chapter by reason
9 of section 3311(b)(1) or 3311(b)(2), amounts as fol-
10 lows:

11 “(A) An amount equal to the established
12 charges for the program of education, except
13 that the amount payable under this subpara-
14 graph may not exceed the maximum amount of
15 established charges regularly charged in-State
16 students for full-time pursuit of approved pro-
17 grams of education for undergraduates by the
18 public institution of higher education offering
19 approved programs of education for under-
20 graduates in the State in which the individual
21 is enrolled that has the highest rate of regu-
22 larly-charged established charges for such pro-
23 grams of education among all public institu-
24 tions of higher education in such State offering
25 such programs of education.

1 “(B) A monthly stipend in an amount as
2 follows:

3 “(i) For each month the individual
4 pursues the program of education (other
5 than, in the case of assistance under this
6 section only, a program of education of-
7 fered through distance learning), a month-
8 ly housing stipend amount equal to the
9 monthly amount of the basic allowance for
10 housing payable under section 403 of title
11 37 for a member with dependents in pay
12 grade E-5 residing in the military housing
13 area that encompasses all or the majority
14 portion of the ZIP code area in which is lo-
15 cated the institution of higher education at
16 which the individual is enrolled.

17 “(ii) For the first month of each
18 quarter, semester, or term, as applicable,
19 of the program of education pursued by
20 the individual, a lump sum amount for
21 books, supplies, equipment, and other edu-
22 cational costs with respect to such quarter,
23 semester, or term in the amount equal
24 to—

25 “(I) \$1,000, multiplied by

1 “(II) the fraction which is the
2 portion of a complete academic year
3 under the program of education that
4 such quarter, semester, or term con-
5 stitutes.

6 “(2) In the case of an individual entitled to
7 educational assistance under this chapter by reason
8 of section 3311(b)(3), amounts equal to 90 percent
9 of the amounts that would be payable to the indi-
10 vidual under paragraph (1) for the program of edu-
11 cation if the individual were entitled to amounts for
12 the program of education under paragraph (1) rath-
13 er than this paragraph.

14 “(3) In the case of an individual entitled to
15 educational assistance under this chapter by reason
16 of section 3311(b)(4), amounts equal to 80 percent
17 of the amounts that would be payable to the indi-
18 vidual under paragraph (1) for the program of edu-
19 cation if the individual were entitled to amounts for
20 the program of education under paragraph (1) rath-
21 er than this paragraph.

22 “(4) In the case of an individual entitled to
23 educational assistance under this chapter by reason
24 of section 3311(b)(5), amounts equal to 70 percent
25 of the amounts that would be payable to the indi-

1 vidual under paragraph (1) for the program of edu-
2 cation if the individual were entitled to amounts for
3 the program of education under paragraph (1) rath-
4 er than this paragraph.

5 “(5) In the case of an individual entitled to
6 educational assistance under this chapter by reason
7 of section 3311(b)(6), amounts equal to 60 percent
8 of the amounts that would be payable to the indi-
9 vidual under paragraph (1) for the program of edu-
10 cation if the individual were entitled to amounts for
11 the program of education under paragraph (1) rath-
12 er than this paragraph.

13 “(6) In the case of an individual entitled to
14 educational assistance under this chapter by reason
15 of section 3311(b)(7), amounts equal to 50 percent
16 of the amounts that would be payable to the indi-
17 vidual under paragraph (1) for the program of edu-
18 cation if the individual were entitled to amounts for
19 the program of education under paragraph (1) rath-
20 er than this paragraph.

21 “(7) In the case of an individual entitled to
22 educational assistance under this chapter by reason
23 of section 3311(b)(8), amounts equal to 40 percent
24 of the amounts that would be payable to the indi-
25 vidual under paragraph (1) for the program of edu-

1 cation if the individual were entitled to amounts for
2 the program of education under paragraph (1) rath-
3 er than this paragraph.

4 “(d) FREQUENCY OF PAYMENT.—

5 “(1) QUARTER, SEMESTER, OR TERM PAY-
6 MENTS.—Payment of the amounts payable under
7 subsection (c)(1)(A), and of similar amounts payable
8 under paragraphs (2) through (7) of subsection (c),
9 for pursuit of a program of education shall be made
10 for the entire quarter, semester, or term, as applica-
11 ble, of the program of education.

12 “(2) MONTHLY PAYMENTS.—Payment of the
13 amount payable under subsection (c)(1)(B), and of
14 similar amounts payable under paragraphs (2)
15 through (7) of subsection (c), for pursuit of a pro-
16 gram of education shall be made on a monthly basis.

17 “(3) REGULATIONS.—The Secretary shall pre-
18 scribe in regulations methods for determining the
19 number of months (including fractions thereof) of
20 entitlement of an individual to educational assistance
21 this chapter that are chargeable under this chapter
22 for an advance payment of amounts under para-
23 graphs (1) and (2) for pursuit of a program of edu-
24 cation on a quarter, semester, term, or other basis.

1 “(e) PROGRAMS OF EDUCATION PURSUED ON AC-
2 TIVE DUTY.—

3 “(1) IN GENERAL.—Educational assistance is
4 payable under this chapter for pursuit of an ap-
5 proved program of education while on active duty.

6 “(2) AMOUNT OF ASSISTANCE.—The amount of
7 educational assistance payable under this chapter to
8 an individual pursuing a program of education while
9 on active duty is the lesser of—

10 “(A) the established charges which simi-
11 larly circumstanced nonveterans enrolled in the
12 program of education involved would be re-
13 quired to pay; or

14 “(B) the amount of the charges of the edu-
15 cational institution as elected by the individual
16 in the manner specified in section 3014(b)(1)

17 “(3) QUARTER, SEMESTER, OR TERM PAY-
18 MENTS.—Payment of the amount payable under
19 paragraph (2) for pursuit of a program of education
20 shall be made for the entire quarter, semester, or
21 term, as applicable, of the program of education.

22 “(4) MONTHLY PAYMENTS.—For each month
23 (as determined pursuant to the methods prescribed
24 under subsection (d)(3)) for which amounts are paid
25 an individual under this subsection, the entitlement

1 of the individual to educational assistance under this
2 chapter shall be charged at the rate of one month
3 for each such month.

4 “(f) PROGRAMS OF EDUCATION PURSUED ON HALF-
5 TIME BASIS OR LESS.—

6 “(1) IN GENERAL.—Educational assistance is
7 payable under this chapter for pursuit of an ap-
8 proved program of education on half-time basis or
9 less.

10 “(2) AMOUNT OF ASSISTANCE.—The edu-
11 cational assistance payable under this chapter to an
12 individual pursuing a program of education on half-
13 time basis or less is the amounts as follows:

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

15 “(i) the established charges which
16 similarly circumstanced nonveterans en-
17 rolled in the program of education involved
18 would be required to pay; or

19 “(ii) the maximum amount that would
20 be payable to the individual for the pro-
21 gram of education under paragraph (1)(A)
22 of subsection (c), or under the provisions
23 of paragraphs (2) through (7) of sub-
24 section (c) applicable to the individual, for
25 the program of education if the individual

1 were entitled to amounts for the program
2 of education under subsection (c) rather
3 than this subsection.

4 “(B) A stipend in an amount equal to the
5 amount of the appropriately reduced amount of
6 the lump sum amount for books, supplies,
7 equipment, and other educational costs other-
8 wise payable to the individual under subsection
9 (c).

10 “(3) QUARTER, TERM, OR SEMESTER PAY-
11 MENTS.—Payment of the amounts payable to an in-
12 dividual under paragraph (2) for pursuit of a pro-
13 gram of education on half-time basis or less shall be
14 made for the entire quarter, semester, or term, as
15 applicable, of the program of education.

16 “(4) MONTHLY PAYMENTS.—For each month
17 (as determined pursuant to the methods prescribed
18 under subsection (d)(3)) for which amounts are paid
19 an individual under this subsection, the entitlement
20 of the individual to educational assistance under this
21 chapter shall be charged at a percentage of a month
22 equal to—

23 “(A) the number of course hours borne by
24 the individual in pursuit of the program of edu-
25 cation involved, divided by

1 “(B) the number of course hours for full-
2 time pursuit of such program of education.

3 “(g) PAYMENT OF ESTABLISHED CHARGES TO EDU-
4 CATIONAL INSTITUTIONS.—Amounts payable under sub-
5 sections (c)(1)(A) (and of similar amounts payable under
6 paragraphs (2) through (7) of subsection (c)), (e)(2), and
7 (f)(2)(A) shall be paid directly to the educational institu-
8 tion concerned.

9 “(h) ESTABLISHED CHARGES DEFINED.—

10 “(1) IN GENERAL.—In this section, the term
11 ‘established charges’, in the case of a program of
12 education, means the actual charges (as determined
13 pursuant to regulations prescribed by the Secretary)
14 for tuition and fees which similarly circumstanced
15 nonveterans enrolled in the program of education
16 would be required to pay.

17 “(2) BASIS OF DETERMINATION.—Established
18 charges shall be determined for purposes of this sub-
19 section on the following basis:

20 “(A) In the case of an individual enrolled
21 in a program of education offered on a term,
22 quarter, or semester basis, the tuition and fees
23 charged the individual for the term, quarter, or
24 semester.

1 “(B) In the case of an individual enrolled
2 in a program of education not offered on a
3 term, quarter, or semester basis, the tuition
4 and fees charged the individual for the entire
5 program of education.

6 **“§ 3314. Tutorial assistance**

7 “(a) IN GENERAL.—Subject to subsection (b), an in-
8 dividual entitled to educational assistance under this chap-
9 ter shall also be entitled to benefits provided an eligible
10 veteran under section 3492.

11 “(b) CONDITIONS.—

12 “(1) IN GENERAL.—The provision of benefits
13 under subsection (a) shall be subject to the condi-
14 tions applicable to an eligible veteran under section
15 3492.

16 “(2) CERTIFICATION.—In addition to the condi-
17 tions specified in paragraph (1), benefits may not be
18 provided to an individual under subsection (a) unless
19 the professor or other individual teaching, leading,
20 or giving the course for which such benefits are pro-
21 vided certifies that—

22 “(A) such benefits are essential to correct
23 a deficiency of the individual in such course;
24 and

1 “(B) such course is required as a part of,
2 or is prerequisite or indispensable to the satis-
3 factory pursuit of, an approved program of edu-
4 cation.

5 “(c) AMOUNT.—

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

11 “(2) AS ADDITIONAL ASSISTANCE.—The
12 amount provided an individual under this subsection
13 is in addition to the amounts of educational assist-
14 ance paid the individual under section 3313.

15 “(d) NO CHARGE AGAINST ENTITLEMENT.—Any
16 benefits provided an individual under subsection (a) are
17 in addition to any other educational assistance benefits
18 provided the individual under this chapter.

19 “**§ 3315. Licensure and certification tests**

20 “(a) IN GENERAL.—An individual entitled to edu-
21 cational assistance under this chapter shall also be entitled
22 to payment for one licensing or certification test described
23 in section 3452(b).

1 “(b) LIMITATION ON AMOUNT.—The amount payable
2 under subsection (a) for a licensing or certification test
3 may not exceed the lesser of—

4 “(1) \$2,000; or

5 “(2) the fee charged for the test.

6 “(c) NO CHARGE AGAINST ENTITLEMENT.—Any
7 amount paid an individual under subsection (a) is in addi-
8 tion to any other educational assistance benefits provided
9 the individual under this chapter.

10 **“§ 3316. Supplemental educational assistance: mem-**
11 **bers with critical skills or specialty; mem-**
12 **bers serving additional service**

13 “(a) INCREASED ASSISTANCE FOR MEMBERS WITH
14 CRITICAL SKILLS OR SPECIALTY.—

15 “(1) IN GENERAL.—In the case of an individual
16 who has a skill or specialty designated by the Sec-
17 retary concerned as a skill or specialty in which
18 there is a critical shortage of personnel or for which
19 it is difficult to recruit or, in the case of critical
20 units, retain personnel, the Secretary concerned may
21 increase the monthly amount of educational assist-
22 ance otherwise payable to the individual under para-
23 graph (1)(B) of section 3313(c), or under para-
24 graphs (2) through (7) of such section (as applica-
25 ble).

1 “(2) MAXIMUM AMOUNT OF INCREASE IN AS-
2 SISTANCE.—The amount of the increase in edu-
3 cational assistance authorized by paragraph (1) may
4 not exceed the amount equal to the monthly amount
5 of increased basic educational assistance providable
6 under section 3015(d)(1) at the time of the increase
7 under paragraph (1).

8 “(b) SUPPLEMENTAL ASSISTANCE FOR ADDITIONAL
9 SERVICE.—

10 “(1) IN GENERAL.—The Secretary concerned
11 may provide for the payment to an individual enti-
12 tled to educational assistance under this chapter of
13 supplemental educational assistance for additional
14 service authorized by subchapter III of chapter 30.
15 The amount so payable shall be payable as an in-
16 crease in the monthly amount of educational assist-
17 ance otherwise payable to the individual under para-
18 graph (1)(B) of section 3313(c), or under para-
19 graphs (2) through (7) of such section (as applica-
20 ble).

21 “(2) ELIGIBILITY.—Eligibility for supplement
22 educational assistance under this subsection shall be
23 determined in accordance with the provisions of sub-
24 chapter III of chapter 30, except that any reference
25 in such provisions to eligibility for basic educational

1 assistance under a provision of subchapter II of
2 chapter 30 shall be treated as a reference to eligi-
3 bility for educational assistance under the appro-
4 priate provision of this chapter.

5 “(3) AMOUNT.—The amount of supplemental
6 educational assistance payable under this subsection
7 shall be the amount equal to the monthly amount of
8 supplemental educational payable under section
9 3022.

10 “(c) REGULATIONS.—The Secretaries concerned shall
11 administer this section in accordance with such regula-
12 tions as the Secretary of Defense shall prescribe.

13 **“§ 3317. Public-private contributions for additional**
14 **educational assistance**

15 “(a) ESTABLISHMENT OF PROGRAM.—In instances
16 where the educational assistance provided pursuant to sec-
17 tion 3313(c)(1)(A) does not cover the full cost of estab-
18 lished charges (as specified in section 3313), the Secretary
19 shall carry out a program under which colleges and univer-
20 sities can, voluntarily, enter into an agreement with the
21 Secretary to cover a portion of those established charges
22 not otherwise covered under section 3313(c)(1)(A), which
23 contributions shall be matched by equivalent contributions
24 toward such costs by the Secretary. The program shall

1 only apply to covered individuals described in paragraphs
2 (1) and (2) of section 3311(b).

3 “(b) DESIGNATION OF PROGRAM.—The program
4 under this section shall be known as the ‘Yellow Ribbon
5 G.I. Education Enhancement Program’.

6 “(c) AGREEMENTS.—The Secretary shall enter into
7 an agreement with each college or university seeking to
8 participate in the program under this section. Each agree-
9 ment shall specify the following:

10 “(1) The manner (whether by direct grant,
11 scholarship, or otherwise) of the contributions to be
12 made by the college or university concerned.

13 “(2) The maximum amount of the contribution
14 to be made by the college or university concerned
15 with respect to any particular individual in any given
16 academic year.

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

20 “(4) Such other matters as the Secretary and
21 the college or university concerned jointly consider
22 appropriate.

23 “(d) MATCHING CONTRIBUTIONS.—

24 “(1) IN GENERAL.—In instances where the edu-
25 cational assistance provided an individual under sec-

1 tion 3313(c)(1)(A) does not cover the full cost of
2 tuition and mandatory fees at a college or university,
3 the Secretary shall provide up to 50 percent of the
4 remaining costs for tuition and mandatory fees if
5 the college or university voluntarily enters into an
6 agreement with the Secretary to match an equal per-
7 centage of any of the remaining costs for such tui-
8 tion and fees.

9 “(2) USE OF APPROPRIATED FUNDS.—Amounts
10 available to the Secretary under section 3324(b) for
11 payment of the costs of this chapter shall be avail-
12 able to the Secretary for purposes of paragraph (1).

13 “(e) OUTREACH.—The Secretary shall make available
14 on the Internet website of the Department available to the
15 public a current list of the colleges and universities partici-
16 pating in the program under this section. The list shall
17 specify, for each college or university so listed, appropriate
18 information on the agreement between the Secretary and
19 such college or university under subsection (c).

1 **“§ 3318. Additional assistance: relocation or travel as-**
2 **sistance for individual relocating or trav-**
3 **eling significant distance for pursuit of a**
4 **program of education**

5 “(a) ADDITIONAL ASSISTANCE.—Each individual de-
6 scribed in subsection (b) shall be paid additional assist-
7 ance under this section in the amount of \$500.

8 “(b) COVERED INDIVIDUALS.—An individual de-
9 scribed in this subsection is any individual entitled to edu-
10 cational assistance under this chapter—

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

15 “(2) who—

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

20 “(B) travels by air to physically attend an
21 institution of higher education for pursuit of
22 such a program of education because the indi-
23 vidual cannot travel to such institution by auto-
24 mobile or other established form of transpor-
25 tation due to an absence of road or other infra-
26 structure.

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

4 “(1) DD Form 214, Certification of Release or
5 Discharge from Active Duty.

6 “(2) The most recent Federal income tax re-
7 turn.

8 “(3) Such other evidence as the Secretary shall
9 prescribe for purposes of this section.

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

13 “(e) **NO CHARGE AGAINST ENTITLEMENT.**—Any
14 amount paid an individual under this section is in addition
15 to any other educational assistance benefits provided the
16 individual under this chapter.

17 **“§ 3319. Authority to transfer unused education bene-
18 fits to family members**

19 “(a) **IN GENERAL.**—Subject to the provisions of this
20 section, the Secretary of Defense may authorize the Sec-
21 retary concerned, to promote recruitment and retention of
22 members of the Armed Forces, to permit an individual de-
23 scribed in subsection (b) who is entitled to educational as-
24 sistance under this chapter to elect to transfer to one or
25 more of the dependents specified in subsection (c) a por-

1 tion of such individual's entitlement to such assistance,
2 subject to the limitation under subsection (d).

3 “(b) ELIGIBLE INDIVIDUALS.—An individual re-
4 ferred to in subsection (a) is any member of the Armed
5 Forces who, at the time of the approval of the individual's
6 request to transfer entitlement to educational assistance
7 under this section, has completed at least—

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

11 “(2) the years of service as determined in regu-
12 lations pursuant to section (k).

13 “(c) ELIGIBLE DEPENDENTS.—An individual ap-
14 proved to transfer an entitlement to educational assistance
15 under this section may transfer the individual's entitle-
16 ment as follows:

17 “(1) To the individual's spouse.

18 “(2) To one or more of the individual's chil-
19 dren.

20 “(3) To a combination of the individuals re-
21 ferred to in paragraphs (1) and (2).

22 “(d) LIMITATION ON MONTHS OF TRANSFER.—The
23 total number of months of entitlement transferred by a
24 individual under this section may not exceed 36 months.
25 The Secretary of Defense may prescribe regulations that

1 would limit the months of entitlement that may be trans-
2 ferred under this section to no less than 18 months.

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

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

8 “(2) designate the number of months of such
9 entitlement to be transferred to each such depend-
10 ent; and

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

14 “(f) TIME FOR TRANSFER; REVOCATION AND MODI-
15 FICATION.—

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

23 “(2) MODIFICATION OR REVOCATION.—

24 “(A) IN GENERAL.—An individual trans-
25 ferring entitlement under this section may mod-

1 ify or revoke at any time the transfer of any
2 unused portion of the entitlement so trans-
3 ferred.

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

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

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

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

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

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

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

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

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

9 “(ii) the years of service as deter-
10 mined in regulations pursuant to sub-
11 section (j); and

12 “(B) either—

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

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

18 “(h) ADDITIONAL ADMINISTRATIVE MATTERS.—

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

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

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

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

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

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

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

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

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

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

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

20 “(7) ADDITIONAL ADMINISTRATIVE PROVI-
21 SIONS.—The administrative provisions of this chap-
22 ter shall apply to the use of entitlement transferred
23 under this section, except that the dependent to
24 whom the entitlement is transferred shall be treated

1 as the eligible individual for purposes of such provi-
2 sions.

3 “(i) OVERPAYMENT.—

4 “(1) JOINT AND SEVERAL LIABILITY.—In the
5 event of an overpayment of educational assistance
6 with respect to a dependent to whom entitlement is
7 transferred under this section, the dependent and
8 the individual making the transfer shall be jointly
9 and severally liable to the United States for the
10 amount of the overpayment for purposes of section
11 3685.

12 “(2) FAILURE TO COMPLETE SERVICE AGREE-
13 MENT.—

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

1 “(B) EXCEPTION.—Subparagraph (A)
2 shall not apply in the case of an individual who
3 fails to complete service agreed to by the indi-
4 vidual—

5 “(i) by reason of the death of the in-
6 dividual; or

7 “(ii) for a reason referred to in sec-
8 tion 3311(c)(4).

9 “(j) REGULATIONS.—(1) The Secretary of Defense,
10 in coordination with the Secretary of Veterans Affairs,
11 shall prescribe regulations for purposes of this section.

12 “(2) Such regulations shall specify—

13 “(A) the manner of authorizing the transfer of
14 entitlements under this section;

15 “(B) the eligibility criteria in accordance with
16 subsection (b); and

17 “(C) the manner and effect of an election to
18 modify or revoke a transfer of entitlement under
19 subsection (f)(2).

20 “(k) SECRETARY CONCERNED DEFINED.—Notwith-
21 standing section 101(25), in this section, the term ‘Sec-
22 retary concerned’ means—

23 “(1) the Secretary of the Army with respect to
24 matters concerning the Army;

1 ning of the 10-year period described in section
2 3031(a).

3 “(2) APPLICABILITY OF SECTION 3031 TO TER-
4 MINATION.—Section 3031(f) shall apply with respect
5 to the termination of an individual’s entitlement to
6 educational assistance under this chapter in the
7 same manner as such section applies to the termi-
8 nation of an individual’s entitlement to educational
9 assistance under chapter 30, except that, in the ad-
10 ministration of such section for purposes of this
11 chapter, the reference to section 3013 shall be
12 deemed to be a reference to 3312.

13 “(3) DETERMINATION OF LAST DISCHARGE OR
14 RELEASE.—For purposes of subsection (a), an indi-
15 vidual’s last discharge or release from active duty
16 shall not include any discharge or release from a pe-
17 riod of active duty of less than 90 days of contin-
18 uous service, unless the individual is discharged or
19 released as described in section 3311(b)(2).

20 **“§ 3322. Bar to duplication of educational assistance**
21 **benefits**

22 “(a) IN GENERAL.—An individual entitled to edu-
23 cational assistance under this chapter who is also eligible
24 for educational assistance under chapter 30, 31, 32, or
25 35 of this title, chapter 107, 1606, or 1607 of title 10,

1 or the provisions of the Hostage Relief Act of 1980 (Public
2 Law 96–449; 5 U.S.C. 5561 note) may not receive assist-
3 ance under two or more such programs concurrently, but
4 shall elect (in such form and manner as the Secretary may
5 prescribe) under which chapter or provisions to receive
6 educational assistance.

7 “(b) INAPPLICABILITY OF SERVICE TREATED UNDER
8 EDUCATIONAL LOAN REPAYMENT PROGRAMS.—A period
9 of service counted for purposes of repayment of an edu-
10 cation loan under chapter 109 of title 10 may not be
11 counted as a period of service for entitlement to edu-
12 cational assistance under this chapter.

13 “(c) SERVICE IN SELECTED RESERVE.—An indi-
14 vidual who serves in the Selected Reserve may receive
15 credit for such service under only one of this chapter,
16 chapter 30 of this title, and chapters 1606 and 1607 of
17 title 10, and shall elect (in such form and manner as the
18 Secretary may prescribe) under which chapter such service
19 is to be credited.

20 “(d) ADDITIONAL COORDINATION MATTERS.—In the
21 case of an individual entitled to educational assistance
22 under chapter 30, 31, 32, or 35 of this title, chapter 107,
23 1606, or 1607 of title 10, or the provisions of the Hostage
24 Relief Act of 1980, or making contributions toward enti-
25 tlement to educational assistance under chapter 30 of this

1 title, as of August 1, 2009, coordination of entitlement
2 to educational assistance under this chapter, on the one
3 hand, and such chapters or provisions, on the other, shall
4 be governed by the provisions of section 5003(c) of the
5 Post-9/11 Veterans Educational Assistance Act of 2008.

6 **“§ 3323. Administration**

7 “(a) IN GENERAL.—

8 “(1) IN GENERAL.—Except as otherwise pro-
9 vided in this chapter, the provisions specified in sec-
10 tion 3034(a)(1) shall apply to the provision of edu-
11 cational assistance under this chapter.

12 “(2) SPECIAL RULE.—In applying the provi-
13 sions referred to in paragraph (1) to an individual
14 entitled to educational assistance under this chapter
15 for purposes of this section, the reference in such
16 provisions to the term ‘eligible veteran’ shall be
17 deemed to refer to an individual entitled to edu-
18 cational assistance under this chapter.

19 “(3) RULE FOR APPLYING SECTION 3474.—In
20 applying section 3474 to an individual entitled to
21 educational assistance under this chapter for pur-
22 poses of this section, the reference in such section
23 3474 to the term ‘educational assistance allowance’
24 shall be deemed to refer to educational assistance
25 payable under section 3313.

1 “(4) RULE FOR APPLYING SECTION 3482.—In
2 applying section 3482(g) to an individual entitled to
3 educational assistance under this chapter for pur-
4 poses of this section—

5 “(A) the first reference to the term ‘edu-
6 cational assistance allowance’ in such section
7 3482(g) shall be deemed to refer to educational
8 assistance payable under section 3313; and

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

12 “(b) INFORMATION ON BENEFITS.—

13 “(1) TIMING FOR PROVIDING.—The Secretary
14 shall provide the information described in paragraph
15 (2) to each member of the Armed Forces at such
16 times as the Secretary and the Secretary of Defense
17 shall jointly prescribe in regulations.

18 “(2) DESCRIPTION OF INFORMATION.—The in-
19 formation described in this paragraph is information
20 on benefits, limitations, procedures, eligibility re-
21 quirements (including time-in-service requirements),
22 and other important aspects of educational assist-
23 ance under this chapter, including application forms
24 for such assistance under section 5102.

1 “(3) TO WHOM PROVIDED.—The Secretary of
2 Veterans Affairs shall furnish the information and
3 forms described in paragraph (2), and other edu-
4 cational materials on educational assistance under
5 this chapter, to educational institutions, training es-
6 tablishments, military education personnel, and such
7 other persons and entities as the Secretary considers
8 appropriate.

9 “(c) REGULATIONS.—

10 “(1) IN GENERAL.—The Secretary shall pre-
11 scribe regulations for the administration of this
12 chapter.

13 “(2) UNIFORMITY.—Any regulations prescribed
14 by the Secretary of Defense for purposes of this
15 chapter shall apply uniformly across the Armed
16 Forces.

17 **“§ 3324. Allocation of administration and costs**

18 “(a) ADMINISTRATION.—Except as otherwise pro-
19 vided in this chapter, the Secretary shall administer the
20 provision of educational assistance under this chapter.

21 “(b) COSTS.—Payments for entitlement to edu-
22 cational assistance earned under this chapter shall be
23 made from funds appropriated to, or otherwise made avail-
24 able to, the Department for the payment of readjustment
25 benefits.”.

1 (2) CLERICAL AMENDMENTS.—The tables of
2 chapters at the beginning of title 38, United States
3 Code, and at the beginning of part III of such title,
4 are each amended by inserting after the item relat-
5 ing to chapter 32 the following new item:

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

6 (b) CONFORMING AMENDMENTS.—

7 (1) AMENDMENTS RELATING TO DUPLICATION
8 OF BENEFITS.—

9 (A) Section 3033 of title 38, United States
10 Code, is amended—

11 (i) in subsection (a)(1) by inserting
12 “33,” after “32,”; and

13 (ii) in subsection (c) by striking “both
14 the program established by this chapter
15 and the program established by chapter
16 106 of title 10” and inserting “two or
17 more of the programs established by this
18 chapter, chapter 33 of this title, and chap-
19 ters 1606 and 1607 of title 10”.

20 (B) Paragraph (4) of section 3695(a) of
21 such title is amended to read as follows:

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

23 (C) Section 16163(e) of title 10, United
24 States Code, is amended by inserting “33,”
25 after “32,”.

1 (2) ADDITIONAL CONFORMING AMEND-
2 MENTS.—

3 (A) Title 38, United States Code, is fur-
4 ther amended by inserting “33,” after “32,”
5 each place it appears in the following provi-
6 sions:

7 (i) In subsections (b) and (e)(1) of
8 section 3485.

9 (ii) In section 3688(b).

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

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

13 (v) In subsections (a) and (b) of sec-
14 tion 3692.

15 (vi) In section 3697(a).

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

19 (c) APPLICABILITY TO INDIVIDUALS UNDER MONT-
20 GOMERY GI BILL PROGRAM.—

21 (1) INDIVIDUALS ELIGIBLE TO ELECT PARTICI-
22 PATION IN POST-9/11 EDUCATIONAL ASSISTANCE.—

23 An individual may elect to receive educational assist-
24 ance under chapter 33 of title 38, United States

1 Code (as added by subsection (a)), if such indi-
2 vidual—

3 (A) as of August 1, 2009—

4 (i) is entitled to basic educational as-
5 sistance under chapter 30 of title 38,
6 United States Code, and has used, but re-
7 tains unused, entitlement under that chap-
8 ter;

9 (ii) is entitled to educational assist-
10 ance under chapter 107, 1606, or 1607 of
11 title 10, United States Code, and has used,
12 but retains unused, entitlement under the
13 applicable chapter;

14 (iii) is entitled to basic educational as-
15 sistance under chapter 30 of title 38,
16 United States Code, but has not used any
17 entitlement under that chapter;

18 (iv) is entitled to educational assist-
19 ance under chapter 107, 1606, or 1607 of
20 title 10, United States Code, but has not
21 used any entitlement under such chapter;

22 (v) is a member of the Armed Forces
23 who is eligible for receipt of basic edu-
24 cational assistance under chapter 30 of
25 title 38, United States Code, and is mak-

1 ing contributions toward such assistance
2 under section 3011(b) or 3012(c) of such
3 title; or

4 (vi) is a member of the Armed Forces
5 who is not entitled to basic educational as-
6 sistance under chapter 30 of title 38,
7 United States Code, by reason of an elec-
8 tion under section 3011(c)(1) or
9 3012(d)(1) of such title; and

10 (B) as of the date of the individual's elec-
11 tion under this paragraph, meets the require-
12 ments for entitlement to educational assistance
13 under chapter 33 of title 38, United States
14 Code (as so added).

15 (2) CESSATION OF CONTRIBUTIONS TOWARD
16 GI BILL.—Effective as of the first month beginning
17 on or after the date of an election under paragraph
18 (1) of an individual described by subparagraph
19 (A)(v) of that paragraph, the obligation of the indi-
20 vidual to make contributions under section 3011(b)
21 or 3012(c) of title 38, United States Code, as appli-
22 cable, shall cease, and the requirements of such sec-
23 tion shall be deemed to be no longer applicable to
24 the individual.

1 (3) REVOCATION OF REMAINING TRANSFERRED
2 ENTITLEMENT.—

3 (A) ELECTION TO REVOKE.—If, on the
4 date an individual described in subparagraph
5 (A)(i) or (A)(iii) of paragraph (1) makes an
6 election under that paragraph, a transfer of the
7 entitlement of the individual to basic edu-
8 cational assistance under section 3020 of title
9 38, United States Code, is in effect and a num-
10 ber of months of the entitlement so transferred
11 remain unutilized, the individual may elect to
12 revoke all or a portion of the entitlement so
13 transferred that remains unutilized.

14 (B) AVAILABILITY OF REVOKED ENTITLE-
15 MENT.—Any entitlement revoked by an indi-
16 vidual under this paragraph shall no longer be
17 available to the dependent to whom transferred,
18 but shall be available to the individual instead
19 for educational assistance under chapter 33 of
20 title 38, United States Code (as so added), in
21 accordance with the provisions of this sub-
22 section.

23 (C) AVAILABILITY OF UNREVOKED ENTI-
24 TLEMENT.—Any entitlement described in sub-
25 paragraph (A) that is not revoked by an indi-

1 vidual in accordance with that subparagraph
2 shall remain available to the dependent or de-
3 pendents concerned in accordance with the cur-
4 rent transfer of such entitlement under section
5 3020 of title 38, United States Code.

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

7 (A) IN GENERAL.—Subject to subpara-
8 graph (B) and except as provided in paragraph
9 (5), an individual making an election under
10 paragraph (1) shall be entitled to educational
11 assistance under chapter 33 of title 38, United
12 States Code (as so added), in accordance with
13 the provisions of such chapter, instead of basic
14 educational assistance under chapter 30 of title
15 38, United States Code, or educational assist-
16 ance under chapter 107, 1606, or 1607 of title
17 10, United States Code, as applicable.

18 (B) LIMITATION ON ENTITLEMENT FOR
19 CERTAIN INDIVIDUALS.—In the case of an indi-
20 vidual making an election under paragraph (1)
21 who is described by subparagraph (A)(i) of that
22 paragraph, the number of months of entitle-
23 ment of the individual to educational assistance
24 under chapter 33 of title 38, United States

1 Code (as so added), shall be the number of
2 months equal to—

3 (i) the number of months of unused
4 entitlement of the individual under chapter
5 30 of title 38, United States Code, as of
6 the date of the election, plus

7 (ii) the number of months, if any, of
8 entitlement revoked by the individual
9 under paragraph (3)(A).

10 (5) CONTINUING ENTITLEMENT TO EDU-
11 CATIONAL ASSISTANCE NOT AVAILABLE UNDER 9/11
12 ASSISTANCE PROGRAM.—

13 (A) IN GENERAL.—In the event edu-
14 cational assistance to which an individual mak-
15 ing an election under paragraph (1) would be
16 entitled under chapter 30 of title 38, United
17 States Code, or chapter 107, 1606, or 1607 of
18 title 10, United States Code, as applicable, is
19 not authorized to be available to the individual
20 under the provisions of chapter 33 of title 38,
21 United States Code (as so added), the indi-
22 vidual shall remain entitled to such educational
23 assistance in accordance with the provisions of
24 the applicable chapter.

1 (B) CHARGE FOR USE OF ENTITLE-
2 MENT.—The utilization by an individual of enti-
3 tlement under subparagraph (A) shall be
4 chargeable against the entitlement of the indi-
5 vidual to educational assistance under chapter
6 33 of title 38, United States Code (as so
7 added), at the rate of one month of entitlement
8 under such chapter 33 for each month of enti-
9 tlement utilized by the individual under sub-
10 paragraph (A) (as determined as if such entitle-
11 ment were utilized under the provisions of chap-
12 ter 30 of title 38, United States Code, or chap-
13 ter 107, 1606, or 1607 of title 10, United
14 States Code, as applicable).

15 (6) ADDITIONAL POST-9/11 ASSISTANCE FOR
16 MEMBERS HAVING MADE CONTRIBUTIONS TOWARD
17 GI BILL.—

18 (A) ADDITIONAL ASSISTANCE.—In the
19 case of an individual making an election under
20 paragraph (1) who is described by clause (i),
21 (iii), or (v) of subparagraph (A) of that para-
22 graph, the amount of educational assistance
23 payable to the individual under chapter 33 of
24 title 38, United States Code (as so added), as
25 a monthly stipend payable under paragraph

1 (1)(B) of section 3313(c) of such title, or under
2 paragraphs (2) through (7) of that section (as
3 applicable), shall be the amount otherwise pay-
4 able as a monthly stipend under the applicable
5 paragraph increased by the amount equal to—

6 (i) the total amount of contributions
7 toward basic educational assistance made
8 by the individual under section 3011(b) or
9 3012(c) of title 38, United States Code, as
10 of the date of the election, multiplied by

11 (ii) the fraction—

12 (I) the numerator of which is—

13 (aa) the number of months
14 of entitlement to basic edu-
15 cational assistance under chapter
16 30 of title 38, United States
17 Code, remaining to the individual
18 at the time of the election; plus

19 (bb) the number of months,
20 if any, of entitlement under such
21 chapter 30 revoked by the indi-
22 vidual under paragraph (3)(A);
23 and

24 (II) the denominator of which is
25 36 months.

1 (B) MONTHS OF REMAINING ENTITLE-
2 MENT FOR CERTAIN INDIVIDUALS.—In the case
3 of an individual covered by subparagraph (A)
4 who is described by paragraph (1)(A)(v), the
5 number of months of entitlement to basic edu-
6 cational assistance remaining to the individual
7 for purposes of subparagraph (A)(ii)(I)(aa)
8 shall be 36 months.

9 (C) TIMING OF PAYMENT.—The amount
10 payable with respect to an individual under sub-
11 paragraph (A) shall be paid to the individual
12 together with the last payment of the monthly
13 stipend payable to the individual under para-
14 graph (1)(B) of section 3313(c) of title 38,
15 United States Code (as so added), or under
16 paragraphs (2) through (7) of that section (as
17 applicable), before the exhaustion of the individ-
18 ual's entitlement to educational assistance
19 under chapter 33 of such title (as so added).

20 (7) CONTINUING ENTITLEMENT TO ADDI-
21 TIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPE-
22 CIALITY AND ADDITIONAL SERVICE.—An individual
23 making an election under paragraph (1)(A) who, at
24 the time of the election, is entitled to increased edu-
25 cational assistance under section 3015(d) of title 38,

1 United States Code, or section 16131(i) of title 10,
2 United States Code, or supplemental educational as-
3 sistance under subchapter III of chapter 30 of title
4 38, United States Code, shall remain entitled to
5 such increased educational assistance or supple-
6 mental educational assistance in the utilization of
7 entitlement to educational assistance under chapter
8 33 of title 38, United States Code (as so added), in
9 an amount equal to the quarter, semester, or term,
10 as applicable, equivalent of the monthly amount of
11 such increased educational assistance or supple-
12 mental educational assistance payable with respect
13 to the individual at the time of the election.

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

16 (d) EFFECTIVE DATE.—This section and the amend-
17 ments made by this section shall take effect on August
18 1, 2009.

19 INCREASE IN AMOUNTS OF BASIC EDUCATIONAL
20 ASSISTANCE UNDER THE MONTGOMERY GI BILL
21 SEC. 5004. (a) EDUCATIONAL ASSISTANCE BASED
22 ON THREE-YEAR PERIOD OF OBLIGATED SERVICE.—Sub-
23 section (a)(1) of section 3015 of title 38, United States
24 Code, is amended—

25 (1) by striking subparagraphs (A) through (C)
26 and inserting the following new subparagraph:

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

4 (2) by redesignating subparagraph (D) as sub-
5 paragraph (B).

6 (b) EDUCATIONAL ASSISTANCE BASED ON TWO-
7 YEAR PERIOD OF OBLIGATED SERVICE.—Subsection
8 (b)(1) of such section is amended—

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

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

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

16 (c) MODIFICATION OF MECHANISM FOR COST-OF-
17 LIVING ADJUSTMENTS.—Subsection (h)(1) of such sec-
18 tion is amended by striking subparagraphs (A) and (B)
19 and inserting the following new subparagraphs:

20 “(A) the average cost of undergraduate
21 tuition in the United States, as determined by
22 the National Center for Education Statistics,
23 for the last academic year preceding the begin-
24 ning of the fiscal year for which the increase is
25 made, exceeds

1 “(B) the average cost of undergraduate
2 tuition in the United States, as so determined,
3 for the academic year preceding the academic
4 year described in subparagraph (A).”.

5 (d) EFFECTIVE DATE.—

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

8 (2) NO COST-OF-LIVING ADJUSTMENT FOR
9 FISCAL YEAR 2009.—The adjustment required by
10 subsection (h) of section 3015 of title 38, United
11 States Code (as amended by this section), in rates
12 of basic educational assistance payable under sub-
13 sections (a) and (b) of such section (as so amended)
14 shall not be made for fiscal year 2009.

15 MODIFICATION OF AMOUNT AVAILABLE FOR REIMBURSE-
16 MENT OF STATE AND LOCAL AGENCIES ADMIN-
17 ISTERING VETERANS EDUCATION BENEFITS

18 SEC. 5005. Section 3674(a)(4) of title 38, United
19 States Code, is amended by striking “may not exceed” and
20 all that follows through the end and inserting “shall be
21 \$19,000,000.”.

1 AUTHORITY TO TRANSFER UNUSED EDUCATION BENE-
2 FITS TO FAMILY MEMBERS FOR CAREER SERVICE
3 MEMBERS

4 SEC. 5006. (a) AUTHORITY TO TRANSFER MONT-
5 GOMERY GI BILL BENEFITS TO A DEPENDENT.—Section
6 3020 of title 38, United States Code, is amended—

7 (1) by striking the section heading and sub-
8 sections (a) and (b) and inserting the following:

9 **“§ 3020. Authority to transfer unused education bene-
10 fits to family members for career service
11 members**

12 “(a) IN GENERAL.—Subject to the provisions of this
13 section, the Secretary of Defense may authorize the Sec-
14 retary concerned, to promote recruitment and retention of
15 members of the Armed Forces, to permit an individual de-
16 scribed in subsection (b) who is entitled to basic edu-
17 cational assistance under this subchapter to elect to trans-
18 fer to one or more of the dependents specified in sub-
19 section (c) the unused portion of entitlement to such as-
20 sistance, subject to the limitation under subsection (d).

21 “(b) ELIGIBLE INDIVIDUALS.—An individual re-
22 ferred to in subsection (a) is any member of the Armed
23 Forces—

24 “(1) who, while serving on active duty or as a
25 member of the Selected Reserve at the time of the

1 approval by the Secretary concerned of the member's
2 request to transfer entitlement to basic educational
3 assistance under this section, has completed six
4 years of service in the Armed Forces and enters into
5 an agreement to serve at least four more years as
6 a member of the Armed Forces; or

7 “(2) as determined in regulations pursuant to
8 subsection (k).”;

9 (2) by striking subsection (d) and inserting the
10 following:

11 “(d) LIMITATION ON MONTHS OF TRANSFER.—(1)
12 An individual approved to transfer an entitlement to basic
13 educational assistance under this section may transfer any
14 unused entitlement to one or more of the dependents spec-
15 ified in subsection (e).

16 “(2) The total number of months of entitlement
17 transferred by an individual under this section may not
18 exceed 36 months. The Secretary of Defense may pre-
19 scribe regulations that would limit the months of entitle-
20 ment that may be transferred under this section to no less
21 than 18 months.”;

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

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

4 (5) by adding at the end of subsection (f) the
5 following:

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

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

13 (7) by striking subsection (k) and inserting the
14 following:

15 “(k) REGULATIONS.—The Secretary of Defense, in
16 coordination with the Secretary of Veterans Affairs, shall
17 prescribe regulations for purposes of this section. Such
18 regulations shall specify—

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

22 “(2) the eligibility criteria in accordance with
23 subsection (b);

24 “(3) the limitations on the amount of entitle-
25 ment eligible to be transferred; and

1 least four more years as a member of the armed
2 forces; or

3 “(2) the years of service as determined in regu-
4 lations pursuant to subsection (j).

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

9 “(1) To the member’s spouse.

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

11 “(3) To a combination of the individuals re-
12 ferred to in paragraphs (1) and (2).

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

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

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

1 “(2) designate the number of months of such
2 entitlement to be transferred to each such depend-
3 ent; and

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

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

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

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

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

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

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

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

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

14 “(A) the completion by the member mak-
15 ing the transfer of at least—

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

18 “(ii) the years of service as deter-
19 mined in regulations pursuant to sub-
20 section (j); and

21 “(B) either—

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

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

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

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

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

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

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

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

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

7 “(C) under section 16133(b); or

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

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

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

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

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

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

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

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

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

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

21 “(j) REGULATIONS.—The Secretary of Defense, in
22 consultation with the Secretary of Veterans Affairs, shall
23 prescribe regulations for purposes of this section. Such
24 regulations shall specify—

1 member's entitlement to such assistance, subject to the
2 limitation under subsection (d).

3 “(b) ELIGIBLE MEMBERS.—A member referred to in
4 subsection (a) is a member of the armed forces who, at
5 the time of the approval of the member's request to trans-
6 fer entitlement to basic educational assistance under this
7 section, has completed at least—

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

11 “(2) the years of service as determined in regu-
12 lations pursuant to section (j).

13 “(c) ELIGIBLE DEPENDENTS.—A member approved
14 to transfer an entitlement to basic educational assistance
15 under this section may transfer the member's entitlement
16 as follows:

17 “(1) To the member's spouse.

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

19 “(3) To a combination of the individuals re-
20 ferred to in paragraphs (1) and (2).

21 “(d) LIMITATION ON MONTHS OF TRANSFER.—The
22 total number of months of entitlement transferred by a
23 member under this section may not exceed 36 months.
24 The Secretary of Defense may prescribe regulations that

1 would limit the months of entitlement that may be trans-
2 ferred under this section to no less than 18 months.

3 “(e) DESIGNATION OF TRANSFEREE.—A member
4 transferring an entitlement to basic educational assistance
5 under this section shall—

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

8 “(2) designate the number of months of such
9 entitlement to be transferred to each such depend-
10 ent; and

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

14 “(f) TIME FOR TRANSFER; REVOCATION AND MODI-
15 FICATION.—(1) Subject to the time limitation for use of
16 entitlement under section 16164, a member approved to
17 transfer entitlement to basic educational assistance under
18 this section may transfer such entitlement only while serv-
19 ing as a member of the armed forces when the transfer
20 is executed.

21 “(2) A member transferring entitlement under this
22 section may modify or revoke at any time the transfer of
23 any unused portion of the entitlement so transferred. The
24 modification or revocation of the transfer of entitlement
25 under this paragraph shall be made by the submittal of

1 written notice of the action to both the Secretary con-
2 cerned and the Secretary of Veterans Affairs.

3 “(3) Entitlement transferred under this section may
4 not be treated as marital property, or the asset of a mar-
5 ital estate, subject to division in a divorce or other civil
6 proceeding.

7 “(g) COMMENCEMENT OF USE.—A dependent to
8 whom entitlement to basic educational assistance is trans-
9 ferred under this section may not commence the use of
10 the transferred entitlement until—

11 “(1) in the case of entitlement transferred to a
12 spouse, the completion by the member making the
13 transfer of at least—

14 “(A) six years of service in the armed
15 forces; or

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

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

20 “(A) the completion by the member mak-
21 ing the transfer of at least—

22 “(i) ten years of service in the armed
23 forces; or

1 “(ii) the years of service as deter-
2 mined in regulations pursuant to sub-
3 section (j); and

4 “(B) either—

5 “(i) the completion by the child of the
6 requirements of a secondary school di-
7 ploma (or equivalency certificate); or

8 “(ii) the attainment by the child of 18
9 years of age.

10 “(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1)

11 The use of any entitlement to basic educational assistance
12 transferred under this section shall be charged against the
13 entitlement of the member making the transfer at the rate
14 of one month for each month of transferred entitlement
15 that is used.

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

22 “(3) The monthly rate of educational assistance pay-
23 able to a dependent to whom entitlement is transferred
24 under this section shall be the monthly amount payable

1 under sections 16162 and 16162a to the member making
2 the transfer.

3 “(4) The death of a member transferring an entitle-
4 ment under this section shall not affect the use of the enti-
5 tlement by the dependent to whom the entitlement is
6 transferred.

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

12 “(6) The administrative provisions of this chapter
13 shall apply to the use of entitlement transferred under this
14 section, except that the dependent to whom the entitle-
15 ment is transferred shall be treated as the eligible member
16 for purposes of such provisions.

17 “(7) The purposes for which a dependent to whom
18 entitlement is transferred under this section may use such
19 entitlement shall include the pursuit and completion of the
20 requirements of a secondary school diploma (or equiva-
21 lency certificate).

22 “(i) OVERPAYMENT.—

23 “(1) JOINT AND SEVERAL LIABILITY.—In the
24 event of an overpayment of basic educational assist-
25 ance with respect to a dependent to whom entitle-

1 ment is transferred under this section, the depend-
2 ent and the member making the transfer shall be
3 jointly and severally liable to the United States for
4 the amount of the overpayment for purposes of sec-
5 tion 3685 of title 38.

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

17 “(3) Paragraph (2) shall not apply in the case
18 of an individual who fails to complete service agreed
19 to by the individual—

20 “(A) by reason of the death of the indi-
21 vidual; or

22 “(B) for a reason referred to in section
23 16133(b).

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

4 “(2) Such regulations shall specify—

5 “(A) the manner of authorizing the transfer of
6 entitlements under this section;

7 “(B) the eligibility criteria in accordance with
8 subsection (b); and

9 “(C) the manner and effect of an election to
10 modify or revoke a transfer of entitlement under
11 subsection (f)(2).

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

16 (d) CONFORMING AMENDMENTS.—Section 16133(a)
17 of title 10, United States Code, is amended by striking
18 “(1)” and all that follows through the period at the end
19 of the subsection and inserting “on the date the person
20 is separated from the Selected Reserve.”.

21 (e) CLERICAL AMENDMENTS.—(1) The table of sec-
22 tions at the beginning of chapter 30 of title 38, United
23 States Code, is amended by striking the item relating to
24 section 3020 and inserting the following new item:

“3020. Authority to transfer unused education benefits to family members of
career service members.”.

1 (2) The table of sections at the beginning of chapter
2 1606 of title 10, United States Code, is amended by in-
3 serting after the item relating to section 16132 the fol-
4 lowing new item:

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

5 (3) The table of sections at the beginning of chapter
6 1607 of such title is amended by inserting after the item
7 relating to section 16163 the following new item:

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

8 TITLE VI—ACCOUNTABILITY AND TRANS-
9 PARENCY IN GOVERNMENT CONTRACTING

10 CHAPTER 1—CLOSE THE CONTRACTOR FRAUD

11 LOOPHOLE

12 SHORT TITLE

13 SEC. 6101. This chapter may be cited as the “Close
14 the Contractor Fraud Loophole Act”.

15 REVISION OF THE FEDERAL ACQUISITION REGULATION

16 SEC. 6102. The Federal Acquisition Regulation shall
17 be amended within 180 days after the date of the enact-
18 ment of this Act pursuant to FAR Case 2007–006 (as
19 published at 72 Fed Reg. 64019, November 14, 2007) or
20 any follow-on FAR case to include provisions that require
21 timely notification by Federal contractors of violations of
22 Federal criminal law or overpayments in connection with
23 the award or performance of covered contracts or sub-

1 contracts, including those performed outside the United
2 States and those for commercial items.

3 DEFINITION

4 SEC. 6103. In this chapter, the term “covered con-
5 tract” means any contract in an amount greater than
6 \$5,000,000 and more than 120 days in duration.

7 CHAPTER 2—GOVERNMENT FUNDING

8 TRANSPARENCY

9 SHORT TITLE

10 SEC. 6201. This chapter may be cited as the “Gov-
11 ernment Funding Transparency Act of 2008”.

12 FINANCIAL DISCLOSURE REQUIREMENTS FOR CERTAIN

13 RECIPIENTS OF FEDERAL AWARDS

14 SEC. 6202. (a) DISCLOSURE REQUIREMENTS.—Sec-
15 tion 2(b)(1) of the Federal Funding Accountability and
16 Transparency Act (Public Law 109–282; 31 U.S.C. 6101
17 note) is amended—

18 (1) by striking “and” at the end of subpara-
19 graph (E);

20 (2) by redesignating subparagraph (F) as sub-
21 paragraph (G); and

22 (3) by inserting after subparagraph (E) the fol-
23 lowing new subparagraph:

24 “(F) the names and total compensation of
25 the five most highly compensated officers of the
26 entity if—

1 “(i) the entity in the preceding fiscal
2 year received—

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

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

9 “(ii) the public does not have access
10 to information about the compensation of
11 the senior executives of the entity through
12 periodic reports filed under section 13(a)
13 or 15(d) of the Securities Exchange Act of
14 1934 (15 U.S.C. 78m(a), 78o(d)) or sec-
15 tion 6104 of the Internal Revenue Code of
16 1986.”.

17 (b) REGULATIONS REQUIRED.—The Director of the
18 Office of Management and Budget shall promulgate regu-
19 lations to implement the amendment made by this chapter.
20 Such regulations shall include a definition of “total com-
21 pensation” that is consistent with regulations of the Secu-
22 rities and Exchange Commission at section 402 of part
23 229 of title 17 of the Code of Federal Regulations (or any
24 subsequent regulation).

1 TITLE VII—MEDICAID PROVISIONS

2 SEC. 7001. (a) MORATORIA ON CERTAIN MEDICAID
3 REGULATIONS.—4 (1) EXTENSION OF CERTAIN MORATORIA IN
5 PUBLIC LAW 110–28.—Section 7002(a)(1) of the
6 U.S. Troop Readiness, Veterans’ Care, Katrina Re-
7 covery, and Iraq Accountability Appropriations Act,
8 2007 (Public Law 110–28) is amended—9 (A) by striking “prior to the date that is
10 1 year after the date of enactment of this Act”
11 and inserting “prior to April 1, 2009”;12 (B) in subparagraph (A), by inserting after
13 “Federal Regulations)” the following: “or in the
14 final regulation, relating to such parts, pub-
15 lished on May 29, 2007 (72 Federal Register
16 29748) and determined by the United States
17 District Court for the District of Columbia to
18 have been ‘improperly promulgated’, *Alameda*
19 *County Medical Center, et al., v. Leavitt, et al.*,
20 Civil Action No. 08-0422, Mem. at 4 (D.D.C.
21 May 23, 2008)”;22 (C) in subparagraph (C), by inserting be-
23 fore the period at the end the following: “, in-
24 cluding the proposed regulation published on
25 May 23, 2007 (72 Federal Register 28930)”.

1 (2) EXTENSION OF CERTAIN MORATORIA IN
2 PUBLIC LAW 110–173.—Section 206 of the Medicare,
3 Medicaid, and SCHIP Extension Act of 2007 (Pub-
4 lic Law 110–173) is amended—

5 (A) by striking “June 30, 2008” and in-
6 serting “April 1, 2009”;

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

11 (C) by inserting “, including the final reg-
12 ulation published on December 28, 2007 (72
13 Federal Register 73635),” after “school-based
14 transportation”.

15 (3) ADDITIONAL MORATORIA.—

16 (A) IN GENERAL.—Notwithstanding any
17 other provision of law, the Secretary of Health
18 and Human Services shall not, prior to April 1,
19 2009, take any action (through promulgation of
20 regulation, issuance of regulatory guidance, use
21 of Federal payment audit procedures, or other
22 administrative action, policy, or practice, includ-
23 ing a Medical Assistance Manual transmittal or
24 letter to State Medicaid directors) to impose
25 any restrictions relating to a provision described

1 in subparagraph (B) or (C) if such restrictions
2 are more restrictive in any aspect than those
3 applied to the respective provision as of the
4 date specified in subparagraph (D) for such
5 provision.

6 (B) PORTION OF INTERIM FINAL REGULA-
7 TION RELATING TO MEDICAID TREATMENT OF
8 OPTIONAL CASE MANAGEMENT SERVICES.—

9 (i) IN GENERAL.—Subject to clause
10 (ii), the provision described in this sub-
11 paragraph is the interim final regulation
12 relating to optional State plan case man-
13 agement services under the Medicaid pro-
14 gram published on December 4, 2007 (72
15 Federal Register 68077) in its entirety.

16 (ii) EXCEPTION.—The provision de-
17 scribed in this subparagraph does not in-
18 clude the portion of such regulation as re-
19 lates directly to implementing section
20 1915(g)(2)(A)(ii) of the Social Security
21 Act, as amended by section 6052 of the
22 Deficit Reduction Act of 2005 (Public Law
23 109–171), through the definition of case
24 management services and targeted case
25 management services contained in pro-

1 posed section 440.169 of title 42, Code of
2 Federal Regulations, but only to the extent
3 that such portion is not more restrictive
4 than the policies set forth in the Dear
5 State Medicaid Director letter on case
6 management issued on January 19, 2001
7 (SMDL #01-013), and with respect to
8 community transition case management,
9 the Dear State Medicaid Director letter
10 issued on July 25, 2000 (Olmstead Update
11 3).

12 (C) PORTION OF PROPOSED REGULATION
13 RELATING TO MEDICAID ALLOWABLE PROVIDER
14 TAXES.—

15 (i) IN GENERAL.—Subject to clause
16 (ii), the provision described in this sub-
17 paragraph is the final regulation relating
18 to health-care-related taxes under the Med-
19 icaid program published on February 22,
20 2008 (73 Federal Register 9685) in its en-
21 tirety.

22 (ii) EXCEPTION.—The provision de-
23 scribed in this subparagraph does not in-
24 clude the portions of such regulation as re-
25 late to the following:

1 (I) REDUCTION IN THRESH-
2 OLD.—The reduction from 6 percent
3 to 5.5 percent in the threshold applied
4 under section 433.68(f)(3)(i) of title
5 42, Code of Federal Regulations, for
6 determining whether or not there is
7 an indirect guarantee to hold a tax-
8 payer harmless, as required to carry
9 out section 1903(w)(4)(C)(ii) of the
10 Social Security Act, as added by sec-
11 tion 403 of the Medicare Improvement
12 and Extension Act of 2006 (division
13 B of Public Law 109–432).

14 (II) CHANGE IN DEFINITION OF
15 MANAGED CARE.—The change in the
16 definition of managed care as pro-
17 posed in the revision of section
18 433.56(a)(8) of title 42, Code of Fed-
19 eral Regulations, as required to carry
20 out section 1903(w)(7)(A)(viii) of the
21 Social Security Act, as amended by
22 section 6051 of the Deficit Reduction
23 Act of 2005 (Public Law 109–171).

1 (D) DATE SPECIFIED.—The date specified
2 in this subparagraph for the provision described
3 in—

4 (i) subparagraph (B) is December 3,
5 2007; or

6 (ii) subparagraph (C) is February 21,
7 2008.

8 (b) FUNDS TO REDUCE MEDICAID FRAUD AND
9 ABUSE.—

10 (1) IN GENERAL.—For purposes of reducing
11 fraud and abuse in the Medicaid program under title
12 XIX of the Social Security Act—

13 (A) there is appropriated to the Office of
14 the Inspector General of the Department of
15 Health and Human Services, out of any money
16 in the Treasury not otherwise appropriated,
17 \$25,000,000, for fiscal year 2009; and

18 (B) there is authorized to be appropriated
19 to such Office \$25,000,000 for fiscal year 2010
20 and each subsequent fiscal year.

21 Amounts appropriated under this section shall re-
22 main available for expenditure until expended and
23 shall be in addition to any other amounts appro-
24 priated or made available to such Office for such
25 purposes with respect to the Medicaid program.

1 (2) ANNUAL REPORT.—Not later than Sep-
2 tember 30 of 2009 and of each subsequent year, the
3 Inspector General of the Department of Health and
4 Human Services shall submit to the Committees on
5 Energy and Commerce and Appropriations of the
6 House of Representatives and the Committees on Fi-
7 nance and Appropriations of the Senate a report on
8 the activities (and the results of such activities)
9 funded under paragraph (1) to reduce waste, fraud,
10 and abuse in the Medicaid program under title XIX
11 of the Social Security Act during the previous 12
12 month period, including the amount of funds appro-
13 priated under such paragraph for each such activity
14 and an estimate of the savings to the Medicaid pro-
15 gram resulting from each such activity.

16 (c) STUDY AND REPORTS TO CONGRESS.—

17 (1) SECRETARIAL REPORT IDENTIFYING PROB-
18 LEMS.—Not later than January 1, 2009, the Sec-
19 retary of Health and Human Services shall submit
20 to the Committee on Energy and Commerce of the
21 House of Representatives and the Committee on Fi-
22 nance of the Senate a report that—

23 (A) outlines the specific problems the Med-
24 icaid regulations referred to in the amendments

1 made by paragraphs (1) and (2) of subsection
2 (a) were intended to address;

3 (B) details how these regulations were de-
4 signed to address these specific problems; and

5 (C) cites the legal authority for such regu-
6 lations.

7 (2) INDEPENDENT COMPREHENSIVE STUDY
8 AND REPORT.—

9 (A) IN GENERAL.—Not later than January
10 1, 2009, the Secretary of Health and Human
11 Services shall enter into a contract with an
12 independent organization for the purpose of—

13 (i) producing a comprehensive report
14 on the prevalence of the problems outlined
15 in the report submitted under paragraph
16 (1);

17 (ii) identifying strategies in existence
18 to address these problems; and

19 (iii) assessing the impact of each reg-
20 ulation referred to in such paragraph on
21 each State and the District of Columbia.

22 (B) ADDITIONAL MATTER.—The report
23 under subparagraph (A) shall also include—

24 (i) an identification of which claims
25 for items and services (including adminis-

1 trative activities) under title XIX of the
2 Social Security Act are not processed
3 through systems described in section
4 1903(r) of such Act;

5 (ii) an examination of the reasons why
6 these claims for such items and services
7 are not processed through such systems;
8 and

9 (iii) recommendations on actions by
10 the Federal government and the States
11 that can make claims for such items and
12 services more accurate and complete con-
13 sistent with such title.

14 (C) DEADLINE.—The report under sub-
15 paragraph (A) shall be submitted to the Com-
16 mittee on Energy and Commerce of the House
17 of Representatives and the Committee on Fi-
18 nance of the Senate not later than September
19 1, 2009.

20 (D) COOPERATION OF STATES.—If the
21 Secretary of Health and Human Services deter-
22 mines that a State or the District of Columbia
23 has not cooperated with the independent orga-
24 nization for purposes of the report under this
25 paragraph, the Secretary shall reduce the

1 amount paid to the State or District under sec-
2 tion 1903(a) of the Social Security Act (42
3 U.S.C. 1396b(a)) by \$25,000 for each day on
4 which the Secretary determines such State or
5 District has not so cooperated. Such reduction
6 shall be made through a process that permits
7 the State or District to challenge the Sec-
8 retary's determination.

9 (3) FUNDING.—

10 (A) IN GENERAL.—Out of any money in
11 the Treasury of the United States not otherwise
12 appropriated, there are appropriated to the Sec-
13 retary without further appropriation,
14 \$5,000,000 to carry out this subsection.

15 (B) AVAILABILITY; AMOUNTS IN ADDITION
16 TO OTHER AMOUNTS APPROPRIATED FOR SUCH
17 ACTIVITIES.—Amounts appropriated pursuant
18 to subparagraph (A) shall—

19 (i) remain available until expended;

20 and

21 (ii) be in addition to any other
22 amounts appropriated or made available to
23 the Secretary of Health and Human Serv-
24 ices with respect to the Medicaid program.

1 (d) ASSET VERIFICATION THROUGH ACCESS TO IN-
2 FORMATION HELD BY FINANCIAL INSTITUTIONS.—

3 (1) ADDITION OF AUTHORITY.—Title XIX of
4 the Social Security Act is amended by inserting after
5 section 1939 the following new section:

6 “ASSET VERIFICATION THROUGH ACCESS TO
7 INFORMATION HELD BY FINANCIAL INSTITUTIONS

8 “SEC. 1940. (a) IMPLEMENTATION.—

9 “(1) IN GENERAL.—Subject to the provisions of
10 this section, each State shall implement an asset
11 verification program described in subsection (b), for
12 purposes of determining or redetermining the eligi-
13 bility of an individual for medical assistance under
14 the State plan under this title.

15 “(2) PLAN SUBMITTAL.—In order to meet the
16 requirement of paragraph (1), each State shall—

17 “(A) submit not later than a deadline spec-
18 ified by the Secretary consistent with paragraph
19 (3), a State plan amendment under this title
20 that describes how the State intends to imple-
21 ment the asset verification program; and

22 “(B) provide for implementation of such
23 program for eligibility determinations and rede-
24 terminations made on or after 6 months after
25 the deadline established for submittal of such
26 plan amendment.

1 “(3) PHASE-IN.—

2 “(A) IN GENERAL.—

3 “(i) IMPLEMENTATION IN CURRENT
4 ASSET VERIFICATION DEMO STATES.—The
5 Secretary shall require those States speci-
6 fied in subparagraph (C) (to which an
7 asset verification program has been applied
8 before the date of the enactment of this
9 section) to implement an asset verification
10 program under this subsection by the end
11 of fiscal year 2009.

12 “(ii) IMPLEMENTATION IN OTHER
13 STATES.—The Secretary shall require
14 other States to submit and implement an
15 asset verification program under this sub-
16 section in such manner as is designed to
17 result in the application of such programs,
18 in the aggregate for all such other States,
19 to enrollment of approximately, but not
20 less than, the following percentage of en-
21 rollees, in the aggregate for all such other
22 States, by the end of the fiscal year in-
23 volved:

24 “(I) 12.5 percent by the end of
25 fiscal year 2009.

1 “(II) 25 percent by the end of
2 fiscal year 2010.

3 “(III) 50 percent by the end of
4 fiscal year 2011.

5 “(IV) 75 percent by the end of
6 fiscal year 2012.

7 “(V) 100 percent by the end of
8 fiscal year 2013.

9 “(B) CONSIDERATION.—In selecting States
10 under subparagraph (A)(ii), the Secretary shall
11 consult with the States involved and take into
12 account the feasibility of implementing asset
13 verification programs in each such State.

14 “(C) STATES SPECIFIED.—The States
15 specified in this subparagraph are California,
16 New York, and New Jersey.

17 “(D) CONSTRUCTION.—Nothing in sub-
18 paragraph (A)(ii) shall be construed as pre-
19 venting a State from requesting, and the Sec-
20 retary from approving, the implementation of
21 an asset verification program in advance of the
22 deadline otherwise established under such sub-
23 paragraph.

1 “(4) EXEMPTION OF TERRITORIES.—This sec-
2 tion shall only apply to the 50 States and the Dis-
3 trict of Columbia.

4 “(b) ASSET VERIFICATION PROGRAM.—

5 “(1) IN GENERAL.—For purposes of this sec-
6 tion, an asset verification program means a program
7 described in paragraph (2) under which a State—

8 “(A) requires each applicant for, or recipi-
9 ent of, medical assistance under the State plan
10 under this title on the basis of being aged,
11 blind, or disabled to provide authorization by
12 such applicant or recipient (and any other per-
13 son whose resources are required by law to be
14 disclosed to determine the eligibility of the ap-
15 plicant or recipient for such assistance) for the
16 State to obtain (subject to the cost reimburse-
17 ment requirements of section 1115(a) of the
18 Right to Financial Privacy Act but at no cost
19 to the applicant or recipient) from any financial
20 institution (within the meaning of section
21 1101(1) of such Act) any financial record
22 (within the meaning of section 1101(2) of such
23 Act) held by the institution with respect to the
24 applicant or recipient (and such other person,
25 as applicable), whenever the State determines

1 the record is needed in connection with a deter-
2 mination with respect to such eligibility for (or
3 the amount or extent of) such medical assist-
4 ance; and

5 “(B) uses the authorization provided under
6 subparagraph (A) to verify the financial re-
7 sources of such applicant or recipient (and such
8 other person, as applicable), in order to deter-
9 mine or redetermine the eligibility of such appli-
10 cant or recipient for medical assistance under
11 the State plan.

12 “(2) PROGRAM DESCRIBED.—A program de-
13 scribed in this paragraph is a program for verifying
14 individual assets in a manner consistent with the ap-
15 proach used by the Commissioner of Social Security
16 under section 1631(e)(1)(B)(ii).

17 “(c) DURATION OF AUTHORIZATION.—Notwith-
18 standing section 1104(a)(1) of the Right to Financial Pri-
19 vacy Act, an authorization provided to a State under sub-
20 section (b)(1) shall remain effective until the earliest of—

21 “(1) the rendering of a final adverse decision on
22 the applicant’s application for medical assistance
23 under the State’s plan under this title;

24 “(2) the cessation of the recipient’s eligibility
25 for such medical assistance; or

1 “(3) the express revocation by the applicant or
2 recipient (or such other person described in sub-
3 section (b)(1), as applicable) of the authorization, in
4 a written notification to the State.

5 “(d) TREATMENT OF RIGHT TO FINANCIAL PRIVACY
6 ACT REQUIREMENTS.—

7 “(1) An authorization obtained by the State
8 under subsection (b)(1) shall be considered to meet
9 the requirements of the Right to Financial Privacy
10 Act for purposes of section 1103(a) of such Act, and
11 need not be furnished to the financial institution,
12 notwithstanding section 1104(a) of such Act.

13 “(2) The certification requirements of section
14 1103(b) of the Right to Financial Privacy Act shall
15 not apply to requests by the State pursuant to an
16 authorization provided under subsection (b)(1).

17 “(3) A request by the State pursuant to an au-
18 thorization provided under subsection (b)(1) is
19 deemed to meet the requirements of section
20 1104(a)(3) of the Right to Financial Privacy Act
21 and of section 1102 of such Act, relating to a rea-
22 sonable description of financial records.

23 “(e) REQUIRED DISCLOSURE.—The State shall in-
24 form any person who provides authorization pursuant to

1 subsection (b)(1)(A) of the duration and scope of the au-
2 thorization.

3 “(f) REFUSAL OR REVOCATION OF AUTHORIZA-
4 TION.—If an applicant for, or recipient of, medical assist-
5 ance under the State plan under this title (or such other
6 person described in subsection (b)(1), as applicable) re-
7 fuses to provide, or revokes, any authorization made by
8 the applicant or recipient (or such other person, as appli-
9 cable) under subsection (b)(1)(A) for the State to obtain
10 from any financial institution any financial record, the
11 State may, on that basis, determine that the applicant or
12 recipient is ineligible for medical assistance.

13 “(g) USE OF CONTRACTOR.—For purposes of imple-
14 menting an asset verification program under this section,
15 a State may select and enter into a contract with a public
16 or private entity meeting such criteria and qualifications
17 as the State determines appropriate, consistent with re-
18 quirements in regulations relating to general contracting
19 provisions and with section 1903(i)(2). In carrying out ac-
20 tivities under such contract, such an entity shall be subject
21 to the same requirements and limitations on use and dis-
22 closure of information as would apply if the State were
23 to carry out such activities directly.

24 “(h) TECHNICAL ASSISTANCE.—The Secretary shall
25 provide States with technical assistance to aid in imple-

1 mentation of an asset verification program under this sec-
2 tion.

3 “(i) REPORTS.—A State implementing an asset
4 verification program under this section shall furnish to the
5 Secretary such reports concerning the program, at such
6 times, in such format, and containing such information
7 as the Secretary determines appropriate.

8 “(j) TREATMENT OF PROGRAM EXPENSES.—Not-
9 withstanding any other provision of law, reasonable ex-
10 penses of States in carrying out the program under this
11 section shall be treated, for purposes of section 1903(a),
12 in the same manner as State expenditures specified in
13 paragraph (7) of such section.”.

14 (2) STATE PLAN REQUIREMENTS.—Section
15 1902(a) of such Act (42 U.S.C. 1396a(a)) is amend-
16 ed—

17 (A) in paragraph (69) by striking “and” at
18 the end;

19 (B) in paragraph (70) by striking the pe-
20 riod at the end and inserting “; and”; and

21 (C) by inserting after paragraph (70), as
22 so amended, the following new paragraph:

23 “(71) provide that the State will implement an
24 asset verification program as required under section
25 1940.”.

1 (3) WITHHOLDING OF FEDERAL MATCHING
2 PAYMENTS FOR NONCOMPLIANT STATES.—Section
3 1903(i) of such Act (42 U.S.C. 1396b(i)) is amend-
4 ed—

5 (A) in paragraph (22) by striking “or” at
6 the end;

7 (B) in paragraph (23) by striking the pe-
8 riod at the end and inserting “; or”; and

9 (C) by adding after paragraph (23) the fol-
10 lowing new paragraph:

11 “(24) if a State is required to implement an
12 asset verification program under section 1940 and
13 fails to implement such program in accordance with
14 such section, with respect to amounts expended by
15 such State for medical assistance for individuals
16 subject to asset verification under such section, un-
17 less—

18 “(A) the State demonstrates to the Sec-
19 retary’s satisfaction that the State made a good
20 faith effort to comply;

21 “(B) not later than 60 days after the date
22 of a finding that the State is in noncompliance,
23 the State submits to the Secretary (and the
24 Secretary approves) a corrective action plan to
25 remedy such noncompliance; and

1 “(C) not later than 12 months after the
2 date of such submission (and approval), the
3 State fulfills the terms of such corrective action
4 plan.”.

5 (4) REPEAL.—Section 4 of Public Law 110–90
6 is repealed.

7 SEC. 7002. (a) MEDICARE IMPROVEMENT FUND.—
8 Title XVIII of the Social Security Act (42 U.S.C. 1395
9 et seq.) is amended by adding at the end the following
10 new section:

11 “MEDICARE IMPROVEMENT FUND

12 “SEC. 1898. (a) ESTABLISHMENT.—The Secretary
13 shall establish under this title a Medicare Improvement
14 Fund (in this section referred to as the ‘Fund’) which
15 shall be available to the Secretary to make improvements
16 under the original fee-for-service program under parts A
17 and B for individuals entitled to, or enrolled for, benefits
18 under part A or enrolled under part B.

19 “(b) FUNDING.—

20 “(1) IN GENERAL.—There shall be available to
21 the Fund, for expenditures from the Fund for serv-
22 ices furnished during fiscal year 2014,
23 \$2,220,000,000.

24 “(2) PAYMENT FROM TRUST FUNDS.—The
25 amount specified under paragraph (1) shall be avail-
26 able to the Fund, as expenditures are made from the

1 Fund, from the Federal Hospital Insurance Trust
2 Fund and the Federal Supplementary Medical In-
3 surance Trust Fund in such proportion as the Sec-
4 retary determines appropriate.

5 “(3) FUNDING LIMITATION.—Amounts in the
6 Fund shall be available in advance of appropriations
7 but only if the total amount obligated from the
8 Fund does not exceed the amount available to the
9 Fund under paragraph (1). The Secretary may obli-
10 gate funds from the Fund only if the Secretary de-
11 termines (and the Chief Actuary of the Centers for
12 Medicare & Medicaid Services and the appropriate
13 budget officer certify) that there are available in the
14 Fund sufficient amounts to cover all such obligations
15 incurred consistent with the previous sentence.”.

16 (b) MEDICAID IMPROVEMENT FUND.— Title XIX of
17 the Social Security Act (42 U.S.C. 1396 et seq.), as
18 amended by section 7001(d), is further amended by add-
19 ing at the end the following new section:

20 “MEDICAID IMPROVEMENT FUND

21 “SEC. 1941. (a) ESTABLISHMENT.—The Secretary
22 shall establish under this title a Medicaid Improvement
23 Fund (in this section referred to as the ‘Fund’) which
24 shall be available to the Secretary to improve the manage-
25 ment of the Medicaid program by the Centers for Medi-
26 care & Medicaid Services, including oversight of contracts

1 and contractors and evaluation of demonstration projects.
2 Payments made for activities under this subsection shall
3 be in addition to payments that would otherwise be made
4 for such activities.

5 “(b) FUNDING.—

6 “(1) IN GENERAL.—There shall be available to
7 the Fund, for expenditures from the Fund—

8 “(A) for fiscal year 2014, \$100,000,000;
9 and

10 “(B) for fiscal years 2015 through 2018,
11 \$150,000,000.

12 “(2) FUNDING LIMITATION.—Amounts in the
13 Fund shall be available in advance of appropriations
14 but only if the total amount obligated from the
15 Fund does not exceed the amount available to the
16 Fund under paragraph (1). The Secretary may obli-
17 gate funds from the Fund only if the Secretary de-
18 termines (and the Chief Actuary of the Centers for
19 Medicare & Medicaid Services and the appropriate
20 budget officer certify) that there are available in the
21 Fund sufficient amounts to cover all such obligations
22 incurred consistent with the previous sentence.”.

23 (c) ADJUSTMENT TO PAQI FUND.—Section
24 1848(l)(2) of the Social Security Act (42 U.S.C. 1395w-
25 4(l)(2)), as amended by section 101(a)(2) of the Medicare,

1 Medicaid, and SCHIP Extension Act of 2007 (Public Law
2 110-173), is amended—

3 (1) in subparagraph (A)(i)—

4 (A) in subclause (III), by striking
5 “\$4,960,000,000” and inserting
6 “\$4,670,000,000”; and

7 (B) by adding at the end the following new
8 subclause:

9 “(IV) For expenditures during
10 2014, an amount equal to
11 \$290,000,000.”;

12 (2) in subparagraph (A)(ii), by adding at the
13 end the following new subclause:

14 “(IV) 2014.—The amount avail-
15 able for expenditures during 2014
16 shall only be available for an adjust-
17 ment to the update of the conversion
18 factor under subsection (d) for that
19 year.”; and

20 (3) in subparagraph (B)—

21 (A) in clause (ii), by striking “and” at the
22 end;

23 (B) in clause (iii), by striking the period at
24 the end and inserting “; and”; and

1 (C) by adding at the end the following new
2 clause:

3 “(iv) 2014 for payment with respect
4 to physicians’ services furnished during
5 2014.”.

6 TITLE VIII—GENERAL PROVISIONS, THIS ACT

7 AVAILABILITY OF FUNDS

8 SEC. 8001. No part of any appropriation contained
9 in this Act shall remain available for obligation beyond
10 the current fiscal year unless expressly so provided herein.

11 EMERGENCY DESIGNATION

12 SEC. 8002. Each amount in each title of this Act is
13 designated as an emergency requirement and necessary to
14 meet emergency needs pursuant to section 204(a) of S.
15 Con. Res. 21 (110th Congress) and section 301(b)(2) of
16 S. Con. Res. 70 (110th Congress), the concurrent resolu-
17 tions on the budget for fiscal years 2008 and 2009.

18 REDUCTION IN DEFENSE AMOUNTS

19 SEC. 8003. Notwithstanding any other provision of
20 this Act, the total amount appropriated in chapter 1 of
21 title IX of this Act under the headings “Procurement”,
22 “Research, Development, Test and Evaluation”, and “De-
23 fense Working Capital Funds” is hereby reduced by
24 \$3,577,845,000. Such reduction shall be applied propor-
25 tionally to each appropriation account under such head-

1 ings, and to each program, project, and activity within
2 each such appropriation account.

3 JOINT BASING INITIATIVES

4 SEC. 8004. Section 9310 of this Act is amended by
5 inserting “, except funds deposited in the Department of
6 Defense Base Closure Account 2005,” after “None of the
7 funds available to the Department of Defense”.

8 DEFENSE HEALTH PROGRAM

9 SEC. 8005. Amounts provided for “Defense Health
10 Program” in Public Law 110-28 for Post Traumatic
11 Stress Disorder and Traumatic Brain Injury (TBI) within
12 operation and maintenance which remain available for ob-
13 ligation shall be made available for psychological health
14 and traumatic brain injury.

15 SHORT TITLE

16 SEC. 8006. This Act may be cited as the “Supple-
17 mental Appropriations Act, 2008”.

Page 60 of the Senate engrossed amendment (of
September 6, 2007) to H.R. 2642, strike lines 1 through
3.

