110TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
110–107

MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2007, AND FOR OTHER PURPOSES

APRIL 24, 2007.—Ordered to be printed

Mr. OBEY, from the Committee on Conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 1591]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1591), "making emergency supplemental appropriations for the fiscal year ending September 30, 2007, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

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

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, and for other purposes, namely:

34–803

TITLE I

GLOBAL WAR ON TERROR SUPPLEMENTAL APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

For an additional amount for "Public Law 480 Title II Grants", during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, for commodities supplied in connection with dispositions abroad under title II of said Act, $460,000,000, to remain available until expended.

GENERAL PROVISION—THIS CHAPTER

SEC. 1101. There is hereby appropriated $40,000,000 to reimburse the Commodity Credit Corporation for the release of eligible commodities under section 302(f)(2)(A) of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1): Provided, That any such funds made available to reimburse the Commodity Credit Corporation shall only be used to replenish the Bill Emerson Humanitarian Trust.

CHAPTER 2

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

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

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

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

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

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

NATIONAL SECURITY DIVISION

SALARIES AND EXPENSES

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

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $268,000,000, of which $258,000,000 is to remain available until September 30, 2008 and $10,000,000 is to remain available until expended to implement corrective actions in response to the findings and recommendations in the Department of Justice Office of Inspector General report entitled, "A Review of the Federal Bureau of Investigation's Use of National Security Letters", of which $500,000 shall be transferred to and merged with "Department of Justice, Office of the Inspector General".

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $12,166,000, to remain available until September 30, 2008.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $4,000,000, to remain available until September 30, 2008.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $17,000,000, to remain available until September 30, 2008.

CHAPTER 3

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for "Military Personnel, Army", $8,853,350,000.

MILITARY PERSONNEL, NAVY

For an additional amount for "Military Personnel, Navy", $1,100,410,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for "Military Personnel, Marine Corps", $1,495,827,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for "Military Personnel, Air Force", $1,218,587,000.

RESERVE PERSONNEL, ARMY

For an additional amount for "Reserve Personnel, Army", $147,244,000.

RESERVE PERSONNEL, NAVY

For an additional amount for "Reserve Personnel, Navy", $86,023,000.

RESERVE PERSONNEL, MARINE CORPS

For an additional amount for "Reserve Personnel, Marine Corps", $5,660,000.

RESERVE PERSONNEL, AIR FORCE

For an additional amount for "Reserve Personnel, Air Force", $11,573,000.

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for "National Guard Personnel, Army", $545,286,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For an additional amount for "National Guard Personnel, Air Force", $44,033,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for "Operation and Maintenance, Army", $20,373,379,000.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operation and Maintenance, Navy", $4,676,670,000, of which up to $120,293,000 shall be transferred to Coast Guard, "Operating Expenses", for reimbursement for activities which support activities requested by the Navy.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for "Operation and Maintenance, Marine Corps", $1,146,594,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for "Operation and Maintenance, Air Force", $6,650,881,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for "Operation and Maintenance, Defense-Wide", $2,714,487,000, of which—

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

(2) not to exceed $200,000,000, to remain available until expended, may be used for payments to reimburse Pakistan, Jordan, and other key cooperating nations, for logistical, military, and other support provided to United States military operations, notwithstanding any other provision of law: Provided, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: Provided further, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided in this paragraph.

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for "Operation and Maintenance, Army Reserve", $74,049,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for "Operation and Maintenance, Navy Reserve", $111,066,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for "Operation and Maintenance, Marine Corps Reserve", $13,591,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for "Operation and Maintenance, Air Force Reserve", $10,160,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Army National Guard", $83,569,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Air National Guard", $38,429,000.

AFGHANISTAN SECURITY FORCES FUND

For an additional amount for "Afghanistan Security Forces Fund", $5,906,400,000, to remain available until September 30, 2008.

IRAQ SECURITY FORCES FUND

For an additional amount for "Iraq Security Forces Fund", $3,842,300,000, to remain available until September 30, 2008.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Iraq Freedom Fund", $355,600,000, to remain available for transfer until September 30, 2008: Provided, That up to $50,000,000 may be obligated and expended for purposes of the Task Force to Improve Business and Stability Operations in Iraq.

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

For an additional amount for "Joint Improvised Explosive Device Defeat Fund", $2,432,800,000, to remain available until September 30, 2009.

STRATEGIC RESERVE READINESS FUND

(INCLUDING TRANSFER OF FUNDS)

In addition to amounts provided in this or any other Act, for training, operations, repair of equipment, purchases of equipment, and other expenses related to improving the readiness of non-deployed United States military forces, $2,000,000,000, to remain available until September 30, 2009; of which $1,000,000,000 shall be transferred to "National Guard and Reserve Equipment" for the purchase of equipment for the Army National Guard; and of which $1,000,000,000 shall be transferred by the Secretary of Defense only to appropriations for military personnel, operation and maintenance, procurement, and defense working capital funds to accomplish the purposes provided herein: Provided, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: Provided further, That the Secretary of Defense shall, not fewer than thirty days prior to making transfers under this authority, notify the congressional defense committees in writing of the details of any such transfers made pursuant to this authority: Provided further, That funds shall be transferred to the appropriation accounts not later than 120 days after the enactment of this Act: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for "Aircraft Procurement, Army", $619,750,000, to remain available until September 30, 2009.

MISSILE PROCUREMENT, ARMY

For an additional amount for "Missile Procurement, Army", $111,473,000, to remain available until September 30, 2009.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army", $3,404,315,000, to remain available until September 30, 2009.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of Ammunition, Army", $681,500,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other Procurement, Army", $11,076,137,000, to remain available until September 30, 2009.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $1,090,287,000, to remain available until September 30, 2009.

WEAPONS PROCUREMENT, NAVY

For an additional amount for "Weapons Procurement, Navy", $163,813,000, to remain available until September 30, 2009.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for "Procurement of Ammunition, Navy and Marine Corps", $159,833,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, NAVY

For an additional amount for "Other Procurement, Navy", $748,749,000, to remain available until September 30, 2009.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", $2,252,749,000, to remain available until September 30, 2009.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft Procurement, Air Force", $2,106,468,000, to remain available until September 30, 2009.

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for "Missile Procurement, Air Force", $94,900,000, to remain available until September 30, 2009.

PROCUREMENT OF AMMUNITION, AIR FORCE

For an additional amount for "Procurement of Ammunition, Air Force", $6,000,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other Procurement, Air Force", $2,096,200,000, to remain available until September 30, 2009.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for "Procurement, Defense-Wide", $980,050,000, to remain available until September 30, 2009.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For an additional amount for "Research, Development, Test and Evaluation, Army", $100,006,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for "Research, Development, Test and Evaluation, Navy", $298,722,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for "Research, Development, Test and Evaluation, Air Force", $187,176,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For an additional amount for "Research, Development, Test and Evaluation, Defense-Wide", $512,804,000, to remain available until September 30, 2008.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", $1,315,526,000.

NATIONAL DEFENSE SEALIFT FUND

For an additional amount for "National Defense Sealift Fund", $5,000,000.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for "Defense Health Program", $3,251,853,000; of which $2,802,153,000 shall be for operation and maintenance, including $600,000,000 which shall be available for the treatment of Traumatic Brain Injury and Post Traumatic Stress

Disorder and remain available until September 30, 2008; of which $118,000,000 shall be for procurement, to remain available until September 30, 2009; and of which $331,700,000 shall be for research, development, test and evaluation, to remain available until September 30, 2008: Provided, That if the Secretary of Defense determines that funds made available herein for the treatment of Traumatic Brain Injury and Post Traumatic Stress Disorder are in excess to the requirements of the Department of Defense he may transfer amounts in excess of that requirement to the Department of Veterans Affairs to be available only for the same purpose.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

For an additional amount for "Drug Interdiction and Counter-Drug Activities, Defense", $254,665,000, to remain available until expended.

RELATED AGENCIES

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

For an additional amount for "Intelligence Community Management Account", $71,726,000.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1301. Appropriations provided in this chapter are available for obligation until September 30, 2007, unless otherwise provided in this chapter.

(TRANSFER OF FUNDS)

SEC. 1302. Upon his determination that such action is necessary in the national interest, the Secretary of Defense may transfer between appropriations up to $3,500,000,000 of the funds made available to the Department of Defense in this chapter: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: Provided further, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of the Department of Defense Appropriations Act, 2007 (Public Law 109–289; 120 Stat. 1257), except for the fourth proviso: Provided further, That funds previously transferred to the "Joint Improvised Explosive Device Defeat Fund" and the "Iraq Security Forces Fund" under the authority of section 8005 of Public Law 109–289 and transferred back to their source appropriations accounts shall not be taken into account for purposes of the limitation on the amount of funds that may be transferred under section 8005.

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

SEC. 1304. None of the funds provided in this chapter may be used to finance programs or activities denied by Congress in fiscal years 2006 or 2007 appropriations to the Department of Defense or

to initiate a procurement or research, development, test and evaluation new start program without prior written notification to the congressional defense committees.

(TRANSFER OF FUNDS)

SEC. 1305. During fiscal year 2007, the Secretary of Defense may transfer not to exceed $6,300,000 of the amounts in or credited to the Defense Cooperation Account, pursuant to 10 U.S.C. 2608, to such appropriations or funds of the Department of Defense as he shall determine for use consistent with the purposes for which such funds were contributed and accepted: Provided, That such amounts shall be available for the same time period as the appropriation to which transferred: Provided further, That the Secretary shall report to the Congress all transfers made pursuant to this authority.

SEC. 1306. (a) AUTHORITY TO PROVIDE SUPPORT.—Of the amount appropriated by this chapter under the heading, "Drug Interdiction and Counter-Drug Activities, Defense", not to exceed $60,000,000 may be used for support for counter-drug activities of the Governments of Afghanistan and Pakistan: Provided, That such support shall be in addition to support provided for the counter-drug activities of such Governments under any other provision of the law.

(b) TYPES OF SUPPORT.—

(1) Except as specified in subsection (b)(2) of this section, the support that may be provided under the authority in this section shall be limited to the types of support specified in section 1033(c)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85, as amended by Public Laws 106–398, 108–136, and 109–364) and conditions on the provision of support as contained in section 1033 shall apply for fiscal year 2007.

(2) The Secretary of Defense may transfer vehicles, aircraft, and detection, interception, monitoring and testing equipment to said Governments for counter-drug activities.

SEC. 1307. (a) From funds made available for operation and maintenance in this chapter to the Department of Defense, not to exceed $456,400,000 may be used, notwithstanding any other provision of law, to fund the Commanders' Emergency Response Program, for the purpose of enabling military commanders in Iraq and Afghanistan to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi and Afghan people.

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

SEC. 1308. Section 9010 of division A of Public Law 109–289 is amended by striking "2007" each place it appears and inserting "2008".

SEC. 1309. During fiscal year 2007, supervision and administration costs associated with projects carried out with funds appro-

priated to "Afghanistan Security Forces Fund" or "Iraq Security Forces Fund" in this chapter may be obligated at the time a construction contract is awarded: Provided, That for the purpose of this section, supervision and administration costs include all in-house Government costs.

SEC. 1310. Section 1005(c)(2) of the National Defense Authorization Act, Fiscal Year 2007 (Public Law 109–364) is amended by striking "$310,277,000" and inserting "$376,446,000".

SEC. 1311. None of the funds appropriated or otherwise made available by this or any other Act shall be obligated or expended by the United States Government for a purpose as follows:

(1) To establish any military installation or base for the purpose of providing for the permanent stationing of United States Armed Forces in Iraq.

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

SEC. 1312. None of the funds made available in this Act may be used in contravention of the following laws enacted or regulations promulgated to implement the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (done at New York on December 10, 1984):

(1) Section 2340A of title 18, United States Code;

(2) Section 2242 of the Foreign Affairs Reform and Restructuring Act of 1998 (division G of Public Law 105–277; 112 Stat. 2681–822; 8 U.S.C. 1231 note) and regulations prescribed thereto, including regulations under part 208 of title 8, Code of Federal Regulations, and part 95 of title 22, Code of Federal Regulations; and

(3) Sections 1002 and 1003 of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109–148).

SEC. 1313. (a) REPORT BY SECRETARY OF DEFENSE.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report that contains individual transition readiness assessments by unit of Iraq and Afghan security forces. The Secretary of Defense shall submit to the congressional defense committees updates of the report required by this subsection every 90 days after the date of the submission of the report until October 1, 2008. The report and updates of the report required by this subsection shall be submitted in classified form.

(b) REPORT BY OMB.—

(1) The Director of the Office of Management and Budget, in consultation with the Secretary of Defense; the Commander, Multi-National Security Transition Command—Iraq; and the Commander, Combined Security Transition Command—Afghanistan, shall submit to the congressional defense committees not later than 120 days after the date of the enactment of this Act and every 90 days thereafter a report on the proposed use of all funds under each of the headings "Iraq Security Forces Fund" and "Afghanistan Security Forces Fund" on a project-by-project basis, for which the obligation of funds is anticipated during the three-month period from such date, including esti-

mates by the commanders referred to in this paragraph of the costs required to complete each such project.

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

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

(B) The use of all funds on a project-by-project basis for which funds were appropriated under the headings referred to in paragraph (1) in prior appropriations Acts, or for which funds were made available by transfer, reprogramming, or allocation from other headings in prior appropriations Acts, including estimates by the commanders referred to in paragraph (1) of the costs to complete each project.

(C) An estimated total cost to train and equip the Iraq and Afghan security forces, disaggregated by major program and sub-elements by force, arrayed by fiscal year.

(c) NOTIFICATION.—The Secretary of Defense shall notify the congressional defense committees of any proposed new projects or transfers of funds between sub-activity groups in excess of $15,000,000 using funds appropriated by this Act under the headings "Iraq Security Forces Fund" and "Afghanistan Security Forces Fund".

SEC. 1314. None of the funds appropriated or otherwise made available by this chapter may be obligated or expended to provide award fees to any defense contractor contrary to the provisions of section 814 of the National Defense Authorization Act, Fiscal Year 2007 (Public Law 109–364).

SEC. 1315. Not more than 85 percent of the funds appropriated in this chapter for operation and maintenance shall be available for obligation unless and until the Secretary of Defense submits to the congressional defense committees a report detailing the use of Department of Defense funded service contracts conducted in the theater of operations in support of United States military and reconstruction activities in Iraq and Afghanistan: Provided, That the report shall provide detailed information specifying the number of contracts and contract costs used to provide services in fiscal year 2006, with sub-allocations by major service categories: Provided further, That the report also shall include estimates of the number of contracts to be executed in fiscal year 2007: Provided further, That the report shall include the number of contractor personnel in Iraq and Afghanistan funded by the Department of Defense: Provided further, That the report shall be submitted to the congressional defense committees not later than August 1, 2007.

SEC. 1316. Section 1477 of title 10, United States Code, is amended—

(1) in subsection (a), by striking "A death gratuity" and inserting "Subject to subsection (d), a death gratuity";

(2) by redesignating subsection (d) as subsection (e) and, in such subsection, by striking "If an eligible survivor dies before he" and inserting "If a person entitled to all or a portion of a death gratuity under subsection (a) or (d) dies before the person"; and

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

"(d) During the period beginning on the date of the enactment of this subsection and ending on September 30, 2007, a person covered by section 1475 or 1476 of this title may designate another person to receive not more than 50 percent of the amount payable under section 1478 of this title. The designation shall indicate the percentage of the amount, to be specified only in 10 percent increments up to the maximum of 50 percent, that the designated person may receive. The balance of the amount of the death gratuity shall be paid to or for the living survivors of the person concerned in accordance with paragraphs (1) through (5) of subsection (a).".

SEC. 1317. Section 9007 of Public Law 109–289 is amended by striking "20" and inserting "287".

SEC. 1318. INSPECTION OF MILITARY MEDICAL TREATMENT FACILITIES, MILITARY QUARTERS HOUSING MEDICAL HOLD PERSONNEL, AND MILITARY QUARTERS HOUSING MEDICAL HOLDOVER PERSONNEL. (a) PERIODIC INSPECTION REQUIRED.—

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

(A) Each military medical treatment facility.

(B) Each military quarters housing medical hold personnel.

(C) Each military quarters housing medical holdover personnel.

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

(b) ACCEPTABLE STANDARDS.—For purposes of this section, acceptable standards for the operation and maintenance of military medical treatment facilities, military quarters housing medical hold personnel, or military quarters housing medical holdover personnel are each of the following:

(1) Generally accepted standards for the accreditation of medical facilities, or for facilities used to quarter individuals with medical conditions that may require medical supervision, as applicable, in the United States.

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

(c) ADDITIONAL INSPECTIONS ON IDENTIFIED DEFICIENCIES.—

(1) IN GENERAL.—In the event a deficiency is identified pursuant to subsection (a) at a facility or quarters described in paragraph (1) of that subsection—

(A) the commander of such facility or quarters, as applicable, shall submit to the Secretary a detailed plan to correct the deficiency; and

(B) the Secretary shall reinspect such facility or quarters, as applicable, not less often than once every 180 days until the deficiency is corrected.

(2) CONSTRUCTION WITH OTHER INSPECTIONS.—An inspection of a facility or quarters under this subsection is in addition

to any inspection of such facility or quarters under subsection (a).

(d) REPORTS ON INSPECTIONS.—A complete copy of the report on each inspection conducted under subsections (a) and (c) shall be submitted in unclassified form to the applicable military medical command and to the congressional defense committees.

(e) REPORT ON STANDARDS.—In the event no standards for the maintenance and operation of military medical treatment facilities, military quarters housing medical hold personnel, or military quarters housing medical holdover personnel exist as of the date of the enactment of this Act, or such standards as do exist do not meet acceptable standards for the maintenance and operation of such facilities or quarters, as the case may be, the Secretary shall, not later than 30 days after that date, submit to the congressional defense committees a report setting forth the plan of the Secretary to ensure—

(1) the adoption by the Department of standards for the maintenance and operation of military medical facilities, military quarters housing medical hold personnel, or military quarters housing medical holdover personnel, as applicable, that meet—

(A) acceptable standards for the maintenance and operation of such facilities or quarters, as the case may be; and

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

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

SEC. 1319. From funds made available for the "Iraq Security Forces Fund" for fiscal year 2007, up to $155,500,000 may be used, notwithstanding any other provision of law, to provide assistance, with the concurrence of the Secretary of State, to the Government of Iraq to support the disarmament, demobilization, and reintegration of militias and illegal armed groups.

SEC. 1320. INDEPENDENT ASSESSMENT OF CAPABILITIES OF IRAQI SECURITY FORCES. (a) IN GENERAL.—Of the amount appropriated or otherwise made available for the Department of Defense, $750,000 is provided to commission an independent, private-sector entity, which operates as a 501(c)(3) with recognized credentials and expertise in military affairs, to prepare an independent report assessing the following:

(1) The readiness of the Iraqi Security Forces (ISF) to assume responsibility for maintaining the territorial integrity of Iraq, denying international terrorists a safe haven, and bringing greater security to Iraq's 18 provinces in the next 12–18 months, and bringing an end to sectarian violence to achieve national reconciliation.

(2) The training; equipping; command, control and intelligence capabilities; and logistics capacity of the ISF.

(3) The likelihood that, given the ISF's record of preparedness to date, following years of training and equipping by U.S. forces, the continued support of U.S. troops will contribute to the readiness of the ISF to fulfill the missions outlined in subparagraph (1).

(b) REPORT.—Not later than 120 days after passage of this Act, the designated private sector entity shall provide an unclassified re-

port, with a classified annex, containing its findings, to the House and Senate Committees on Armed Services, Appropriations, Foreign Relations, and Intelligence.

SEC. 1321. AWARD OF MEDAL OF HONOR TO WOODROW W. KEEBLE FOR VALOR DURING KOREAN WAR. (a) WAIVER OF TIME LIMITATIONS.—Notwithstanding any applicable time limitation under section 3744 of title 10, United States Code, or any other time limitation with respect to the award of certain medals to individuals who served in the Armed Forces, the President may award to Woodrow W. Keeble the Medal of Honor under section 3741 of that title for the acts of valor described in subsection (b).

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

(TRANSFER OF FUNDS)

SEC. 1322. Of the amount appropriated under the heading "Other Procurement, Army", in title III of division A of Public Law 109–148, $6,250,000 shall be transferred to "Military Construction, Army".

(TRANSFER OF FUNDS)

SEC. 1323. Notwithstanding any other provision of law, not to exceed $110,000,000 may be transferred to the "Economic Support Fund", Department of State, for use in programs in Pakistan from amounts appropriated by this Act as follows:

"Military Personnel, Army", $70,000,000;
"National Guard Personnel, Army", $13,183,000; and
"Defense Health Program", $26,817,000.

CHAPTER 4

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

DEFENSE NUCLEAR NONPROLIFERATION

For an additional amount for "Defense Nuclear Nonproliferation", $150,000,000, to remain available until expended.

GENERAL PROVISION—THIS CHAPTER

(TRANSFER OF FUNDS)

SEC. 1401. The Administrator of the National Nuclear Security Administration is authorized to transfer up to $1,000,000 from Defense Nuclear Nonproliferation to the Office of the Administrator during fiscal year 2007 supporting nuclear nonproliferation activities.

CHAPTER 5

DEPARTMENT OF HOMELAND SECURITY

ANALYSIS AND OPERATIONS

For an additional amount for "Analysis and Operations", $15,000,000, to remain available until September 30, 2008, to be used for support of the State and Local Fusion Center program.

UNITED STATES CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Salaries and Expenses", $115,000,000, to remain available until September 30, 2008, to be used to increase the number of officers, intelligence analysts and support staff responsible for container security inspections, and for other efforts to improve supply chain security: Provided, That up to $5,000,000 shall be transferred to Federal Law Enforcement Training Center "Salaries and Expenses", for basic training costs.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For an additional amount for "Air and Marine Interdiction, Operations, Maintenance, and Procurement", for air and marine operations on the Northern Border, including the final Northern Border air wing, $120,000,000, to remain available until September 30, 2008.

UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $10,000,000, to remain available until September 30, 2008.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

For an additional amount for "Aviation Security", $970,000,000; of which $815,000,000 shall be for procurement and installation of checked baggage explosives detection systems, to remain available until expended; of which $45,000,000 shall be for expansion of checkpoint explosives detection pilot systems, to remain available until expended; and of which $110,000,000 shall be for air cargo security, to remain available until September 30, 2009.

FEDERAL AIR MARSHALS

For an additional amount for "Federal Air Marshals", $8,000,000, to remain available until September 30, 2008.

NATIONAL PROTECTION AND PROGRAMS

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

For an additional amount for "Infrastructure Protection and Information Security", $37,000,000, to remain available until September 30, 2008.

OFFICE OF HEALTH AFFAIRS

For an additional amount for "Office of Health Affairs" for nuclear event public health assessment and planning and other activities, $15,000,000, to remain available until September 30, 2008.

FEDERAL EMERGENCY MANAGEMENT AGENCY

MANAGEMENT AND ADMINISTRATION

For expenses for management and administration of the Federal Emergency Management Agency, $25,000,000, to remain available until September 30, 2008: Provided, That none of such funds made available under this heading may be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure: Provided further, That unobligated amounts in the "Administrative and Regional Operations" and "Readiness, Mitigation, Response, and Recovery" accounts shall be transferred to "Management and Administration" and may be used for any purpose authorized for such amounts and subject to limitation on the use of such amounts.

STATE AND LOCAL PROGRAMS

For an additional amount for "State and Local Programs", $552,500,000; of which $190,000,000 shall be for port security grants pursuant to section 70107(l) of title 46 United States Code; of which $325,000,000 shall be for intercity rail passenger transportation, freight rail, and transit security grants; of which $35,000,000 shall be for regional grants and regional technical assistance to high risk urban areas for catastrophic event planning and preparedness; and of which $2,500,000 shall be for technical assistance: Provided, That none of the funds made available under this heading may be obligated for such regional grants and regional technical assistance until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure: Provided further, That funds for such regional grants and regional technical assistance shall remain available until September 30, 2008.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

For an additional amount for "Emergency Management Performance Grants", $100,000,000.

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

For an additional amount for expenses of "United States Citizenship and Immigration Services" to address backlogs of security checks associated with pending applications and petitions, $10,000,000, to remain available until September 30, 2008: Provided, That none of the funds made available under this heading

shall be available for obligation until the Secretary of Homeland Security, in consultation with the United States Attorney General, submits to the Committees on Appropriations of the Senate and the House of Representatives a plan to eliminate the backlog of security checks that establishes information sharing protocols to ensure United States Citizenship and Immigration Services has the information it needs to carry out its mission.

SCIENCE AND TECHNOLOGY

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

For an additional amount for "Research, Development, Acquisition, and Operations" for air cargo security research, $10,000,000, to remain available until expended.

DOMESTIC NUCLEAR DETECTION OFFICE

RESEARCH, DEVELOPMENT, AND OPERATIONS

For an additional amount for "Research, Development, and Operations" for non-container, rail, aviation and intermodal radiation detection activities, $39,000,000, to remain available until expended.

SYSTEMS ACQUISITION

For an additional amount for "Systems Acquisition", $223,500,000, to remain available until expended: Provided, That none of the funds appropriated under this heading shall be obligated for full scale procurement of Advanced Spectroscopic Portal Monitors until the Secretary of Homeland Security has certified through a report to the Committees on Appropriations of the Senate and the House of Representatives that a significant increase in operational effectiveness will be achieved.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1501. (a) AMENDMENTS.—Section 550 of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note) is amended by:

(1) in subsection (c), by striking "consistent with similar" and inserting "identical to the protections given";

(2) in subsection (c), by striking ", site security plans, and other information submitted to or obtained by the Secretary under this section, and related vulnerability or security information, shall be treated as if the information were classified material" and inserting "and site security plans shall be treated as sensitive security information (as that term is used in section 1520.5 of title 49, Code of Federal Regulations, or any subsequent regulations relating to the same matter)"; and

(3) by adding at the end of the section the following:

"(h) This section shall not preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance with respect to chemical facility security that is more stringent than a regulation, requirement, or standard of performance issued under this section, or otherwise impair any right or jurisdiction of any State with respect to chemical facilities within that State.".

(b) REGULATORY CLARIFICATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Homeland Security shall update the regulations administered by the Secretary that govern sensitive security information, including 49 CFR 1520, to ensure the protection of all information required to be protected under section 550(c) of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note), as amended by paragraph (a).

SEC. 1502. None of the funds provided in this Act, or Public Law 109–295, shall be available to carry out section 872 of Public Law 107–296.

SEC. 1503. LINKING OF AWARD FEES UNDER DEPARTMENT OF HOMELAND SECURITY CONTRACTS TO SUCCESSFUL ACQUISITION OUTCOMES. The Secretary of Homeland Security shall require that all contracts of the Department of Homeland Security that provide award fees link such fees to successful acquisition outcomes (which outcomes shall be specified in terms of cost, schedule, and performance).

CHAPTER 6

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $6,437,000, as follows:

ALLOWANCES AND EXPENSES

For an additional amount for allowances and expenses as authorized by House resolution or law, $6,437,000 for business continuity and disaster recovery, to remain available until expended.

GOVERNMENT ACCOUNTABILITY OFFICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" of the Government Accountability Office, $374,000, to remain available until September 30, 2008.

CHAPTER 7

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION, ARMY

For an additional amount for "Military Construction, Army", $1,255,890,000, to remain available until September 30, 2008: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds provided under this heading, not to exceed $173,700,000 shall be available for study, planning, design, and architect and engineer services: Provided further, That of the funds made available under this heading, $369,690,000 shall

not be obligated or expended until the Secretary of Defense submits a detailed report explaining how military road construction is coordinated with NATO and coalition nations: Provided further, That of the funds made available under this heading, $401,700,000 shall not be obligated or expended until the Secretary of Defense submits a detailed stationing plan to support Army end-strength growth to the Committees on Appropriations of the House of Representatives and Senate: Provided further, That of the funds provided under this heading, $274,800,000 shall not be obligated or expended until the Secretary of Defense certifies that none of the funds are to be used for the purpose of providing facilities for the permanent basing of U.S. military personnel in Iraq.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for "Military Construction, Navy and Marine Corps", $370,990,000, to remain available until September 30, 2008: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds provided under this heading, not to exceed $49,600,000 shall be available for study, planning, design, and architect and engineer services: Provided further, That of the funds made available under this heading, $324,270,000 shall not be obligated or expended until the Secretary of Defense submits a detailed stationing plan to support Marine Corps end-strength growth to the Committees on Appropriations of the House of Representatives and Senate.

MILITARY CONSTRUCTION, AIR FORCE

For an additional amount for "Military Construction, Air Force", $43,300,000, to remain available until September 30, 2008: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds provided under this heading, not to exceed $3,000,000 shall be available for study, planning, design, and architect and engineer services.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005

For deposit into the Department of Defense Base Closure Account 2005, established by section 2906A(a)(1) of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note), $3,136,802,000, to remain available until expended: Provided, That within 30 days of the enactment of this Act, the Secretary of Defense shall submit a detailed spending plan to the Committees on Appropriations of the House of Representatives and Senate.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1701. Notwithstanding any other provision of law, none of the funds in this or any other Act may be used to close Walter Reed Army Medical Center until equivalent medical facilities at the Walter Reed National Military Medical Center at Naval Medical Center, Bethesda, Maryland, and/or the Fort Belvoir, Virginia, Community

Hospital have been constructed and equipped: Provided, That to ensure that the quality of care provided by the Military Health System is not diminished during this transition, the Walter Reed Army Medical Center shall be adequately funded, to include necessary renovation and maintenance of existing facilities, to maintain the maximum level of inpatient and outpatient services.

SEC. 1702. Notwithstanding any other provision of law, none of the funds in this or any other Act shall be used to reorganize or relocate the functions of the Armed Forces Institute of Pathology (AFIP) until the Secretary of Defense has submitted, not later than December 31, 2007, a detailed plan and timetable for the proposed reorganization and relocation to the Committees on Appropriations and Armed Services of the Senate and House of Representatives. The plan shall take into consideration the recommendations of a study being prepared by the Government Accountability Office (GAO), provided that such study is available not later than 45 days before the date specified in this section, on the impact of dispersing selected functions of AFIP among several locations, and the possibility of consolidating those functions at one location. The plan shall include an analysis of the options for the location and operation of the Program Management Office for second opinion consults that are consistent with the recommendations of the Base Realignment and Closure Commission, together with the rationale for the option selected by the Secretary.

CHAPTER 8

DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Diplomatic and Consular Programs", $870,658,000, to remain available until September 30, 2008, of which $96,500,000 for World Wide Security Upgrades is available until expended: Provided, That of the funds appropriated under this heading, not more than $20,000,000 shall be made available for public diplomacy programs: Provided further, That prior to the obligation of funds pursuant to the previous proviso, the Secretary of State shall submit a report to the Committees on Appropriations describing a comprehensive public diplomacy strategy, with goals and expected results, for fiscal years 2007 and 2008: Provided further, That of the amount available under this heading, $258,000 shall be transferred to, and merged with, funds available in fiscal year 2007 for expenses for the United States Commission on International Religious Freedom: Provided further, That 20 percent of the amount available for Iraq operations shall not be obligated until the Committees on Appropriations receive and approve a detailed plan for expenditure, prepared by the Secretary of State, and submitted within 60 days after the date of enactment of this Act: Provided further, That within 15 days of enactment of this Act, the Office of Management and Budget shall apportion $15,000,000

from amounts appropriated or otherwise made available by chapter 8 of title II of division B of Public Law 109–148 under the heading "Emergencies in the Diplomatic and Consular Service" for emergency evacuations: Provided further, That of the amount made available under this heading for Iraq, not to exceed $20,000,000 may be transferred to, and merged with, funds in the "Emergencies in the Diplomatic and Consular Service" appropriations account, to be available only for terrorism rewards.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Office of Inspector General", $36,500,000, to remain available until December 31, 2008: Provided, That $35,000,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For an additional amount for "Educational and Cultural Exchange Programs", $20,000,000, to remain available until expended.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to International Organizations", $50,000,000, to remain available until September 30, 2008.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for "Contributions for International Peacekeeping Activities", $288,000,000, to remain available until September 30, 2008.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for "International Broadcasting Operations" for activities related to broadcasting to the Middle East, $10,000,000, to remain available until September 30, 2008.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Child Survival and Health Programs Fund", $161,000,000, to remain available until September 30, 2008: Provided, That notwithstanding any other provision of law, if the President determines and reports to the Committees on Appropriations that the human-to-human transmission of the avian

influenza virus is efficient and sustained, and is spreading internationally, funds made available under the heading "Millennium Challenge Corporation" and "Global HIV/AIDS Initiative" in prior Acts making appropriations for foreign operations, export financing, and related programs may be transferred to, and merged with, funds made available under this heading to combat avian influenza: Provided further, That funds made available pursuant to the authority of the previous proviso shall be subject to the regular notification procedures of the Committees on Appropriations.

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $165,000,000, to remain available until expended.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating Expenses of the United States Agency for International Development", $8,700,000, to remain available until September 30, 2008.

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

For an additional amount for "Operating Expenses of the United States Agency for International Development Office of Inspector General", $3,500,000, to remain available until September 30, 2008.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for "Economic Support Fund", $2,649,300,000, to remain available until September 30, 2008: Provided, That of the funds appropriated under this heading, $57,400,000 shall be made available to nongovernmental organizations in Iraq for economic and social development programs and activities in areas of conflict: Provided further, That the responsibility for policy decisions and justifications for the use of funds appropriated by the previous proviso shall be the responsibility of the United States Chief of Mission in Iraq: Provided further, That none of the funds appropriated under this heading in this Act or in prior Acts making appropriations for foreign operations, export financing, and related programs may be made available for the Political Participation Fund and the National Institutions Fund: Provided further, That of the funds made available under the heading "Economic Support Fund" in Public Law 109–234 for Iraq to promote democracy, rule of law and reconciliation, $2,000,000 should be made available for the United States Institute of Peace for programs and activities in Afghanistan to remain available until September 30, 2008.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

For an additional amount for "Assistance for Eastern Europe and the Baltic States", $229,000,000, to remain available until September 30, 2008, for assistance for Kosovo.

DEPARTMENT OF STATE

DEMOCRACY FUND

For an additional amount for "Democracy Fund", $260,000,000, to remain available until September 30, 2008: Provided, That of the funds appropriated under this heading, not less than $190,000,000 shall be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights, and Labor, Department of State, and not less than $60,000,000 shall be made available for the United States Agency for International Development, for democracy, human rights and rule of law programs in Iraq: Provided further, That not later than 60 days after enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations describing a comprehensive, long-term strategy, with goals and expected results, for strengthening and advancing democracy in Iraq.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

(INCLUDING RESCISSION OF FUNDS)

For an additional amount for "International Narcotics Control and Law Enforcement", $257,000,000, to remain available until September 30, 2008.

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

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and Refugee Assistance", $130,500,000, to remain available until September 30, 2008, of which not less than $5,000,000 shall be made available to rescue Iraqi scholars.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For an additional amount for "United States Emergency Refugee and Migration Assistance Fund", $55,000,000, to remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for "Nonproliferation, Anti-Terrorism, Demining and Related Programs", $57,500,000, to remain available until September 30, 2008.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For an additional amount for "International Affairs Technical Assistance", $2,750,000, to remain available until September 30, 2008.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for "Foreign Military Financing Program", $265,000,000, to remain available until September 30, 2008.

PEACEKEEPING OPERATIONS

For an additional amount for "Peacekeeping Operations", $230,000,000, to remain available until September 30, 2008: Provided, That of the funds appropriated under this heading, not less than $40,000,000 shall be made available, notwithstanding section 660 of the Foreign Assistance Act of 1961, for assistance for Liberia for security sector reform: Provided further, That not later than 30 days after enactment of this Act and every 30 days thereafter until September 30, 2008, the Secretary of State shall submit a report to the Committees on Appropriations detailing the obligation and expenditure of funds made available under this heading in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs.

GENERAL PROVISIONS—THIS CHAPTER

AUTHORIZATION OF FUNDS

SEC. 1801. Funds appropriated by this title may be obligated and expended notwithstanding section 10 of Public Law 91–672 (22 U.S.C. 2412), section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6212), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

EXTENSION OF OVERSIGHT AUTHORITY

SEC. 1802. Section 3001(o)(1)(B) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1238; 5 U.S.C. App., note to section 8G of Public Law 95–452), as amended by section 1054(b) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2397) and section 2 of the Iraq Reconstruction Accountability Act of 2006 (Public Law 109–440), is amended by inserting "or fiscal year 2007" after "fiscal year 2006".

LEBANON

SEC. 1803. (a) LIMITATION ON ECONOMIC SUPPORT FUND ASSISTANCE FOR LEBANON.—None of the funds made available in this Act under the heading "Economic Support Fund" for cash transfer assistance for the Government of Lebanon may be made available for obligation until the Secretary of State reports to the Committees on Appropriations on Lebanon's economic reform plan and on the specific conditions and verifiable benchmarks that have been agreed upon by the United States and the Government of Lebanon pursu-

ant to the Memorandum of Understanding on cash transfer assistance for Lebanon.

(b) LIMITATION ON FOREIGN MILITARY FINANCING PROGRAM AND INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT ASSISTANCE FOR LEBANON.—None of the funds made available in this Act under the heading "Foreign Military Financing Program" or "International Narcotics Control and Law Enforcement" for military or police assistance to Lebanon may be made available for obligation until the Secretary of State submits to the Committees on Appropriations a report on procedures established to determine eligibility of members and units of the armed forces and police forces of Lebanon to participate in United States training and assistance programs and on the end use monitoring of all equipment provided under such programs to the Lebanese armed forces and police forces.

(c) CERTIFICATION REQUIRED.—Prior to the initial obligation of funds made available in this Act for assistance for Lebanon under the headings "Foreign Military Financing Program" and "Nonproliferation, Anti-Terrorism, Demining and Related Programs", the Secretary of State shall certify to the Committees on Appropriations that all practicable efforts have been made to ensure that such assistance is not provided to or through any individual, or private or government entity, that advocates, plans, sponsors, engages in, or has engaged in, terrorist activity.

(d) REPORT REQUIRED.—Not later than 45 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a report on the Government of Lebanon's actions to implement section 14 of United Nations Security Council Resolution 1701 (August 11, 2006).

(e) SPECIAL AUTHORITY.—This section shall be effective notwithstanding section 534(a) of Public Law 109–102, which is made applicable to funds appropriated for fiscal year 2007 by the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5).

DEBT RESTRUCTURING

SEC. 1804. Amounts appropriated for fiscal year 2007 for "Bilateral Economic Assistance—Department of the Treasury—Debt Restructuring" may be used to assist Liberia in retiring its debt arrearages to the International Monetary Fund, the International Bank for Reconstruction and Development, and the African Development Bank.

GOVERNMENT ACCOUNTABILITY OFFICE

SEC. 1805. To facilitate effective oversight of programs and activities in Iraq by the Government Accountability Office (GAO), the Department of State shall provide GAO staff members the country clearances, life support, and logistical and security support necessary for GAO personnel to establish a presence in Iraq for periods of not less than 45 days.

HUMAN RIGHTS AND DEMOCRACY FUND

SEC. 1806. The Assistant Secretary of State for Democracy, Human Rights, and Labor shall be responsible for all policy, fund-

ing, and programming decisions regarding funds made available under this Act and prior Acts making appropriations for foreign operations, export financing and related programs for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights, and Labor.

INSPECTOR GENERAL OVERSIGHT OF IRAQ AND AFGHANISTAN

SEC. 1807. (a) IN GENERAL.—Subject to paragraph (2), the Inspector General of the Department of State and the Broadcasting Board of Governors (referred to in this section as the "Inspector General") may use personal services contracts to engage citizens of the United States to facilitate and support the Office of the Inspector General's oversight of programs and operations related to Iraq and Afghanistan. Individuals engaged by contract to perform such services shall not, by virtue of such contract, be considered to be employees of the United States Government for purposes of any law administered by the Office of Personnel Management. The Secretary of State may determine the applicability to such individuals of any law administered by the Secretary concerning the performance of such services by such individuals.

(b) CONDITIONS.—The authority under paragraph (1) is subject to the following conditions:

(1) The Inspector General determines that existing personnel resources are insufficient.

(2) The contract length for a personal services contractor, including options, may not exceed 1 year, unless the Inspector General makes a finding that exceptional circumstances justify an extension of up to 1 additional year.

(3) Not more than 10 individuals may be employed at any time as personal services contractors under the program.

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

(d) OTHER AUTHORITIES NOT AFFECTED.—The authority under this section is in addition to any other authority of the Inspector General to hire personal services contractors.

FUNDING TABLES

SEC. 1808. (a) Funds provided in this Act for the following accounts shall be made available for programs and countries in the amounts contained in the respective tables included in the report accompanying this Act:

"Diplomatic and Consular Programs".
"Economic Support Fund".
"Democracy Fund".
"International Narcotics Control and Law Enforcement".
"Migration and Refugee Assistance".

(b) Any proposed increases or decreases to the amounts contained in the tables in the accompanying report shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

SPENDING PLAN AND NOTIFICATION PROCEDURES

SEC. 1809. Not later than 45 days after enactment of this Act the Secretary of State shall submit to the Committees on Appropriations a report detailing planned expenditures for funds appropriated under the headings in this chapter, except for funds appropriated under the heading "International Disaster and Famine Assistance": Provided, That funds appropriated under the headings in this chapter, except for funds appropriated under the heading named in this section, shall be subject to the regular notification procedures of the Committees on Appropriations.

CONDITIONS ON ASSISTANCE FOR PAKISTAN

SEC. 1810. None of the funds made available for assistance for the central Government of Pakistan under the heading "Economic Support Fund" in this title may be made available for non-project assistance until the Secretary of State submits to the Committees on Appropriations a report on the oversight mechanisms, performance benchmarks, and implementation processes for such funds: Provided, That notwithstanding any other provision of law, funds made available for non-project assistance pursuant to the previous proviso shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds made available for assistance for Pakistan under the heading "Economic Support Fund" in this title, $5,000,000 shall be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights, and Labor, Department of State, for political party development and election observation programs.

CIVILIAN RESERVE CORPS

SEC. 1811. Of the funds appropriated by this Act under the heading "Diplomatic and Consular Programs", up to $50,000,000 may be made available to support and maintain a civilian reserve corps: Provided, That none of the funds for a civilian reserve corps may be obligated without specific authorization in a subsequent Act of Congress: Provided further, That funds made available under this section shall be subject to the regular notification procedures of the Committees on Appropriations.

COORDINATOR FOR IRAQ ASSISTANCE

SEC. 1812. (a) COORDINATOR FOR IRAQ ASSISTANCE.—Not later than 30 days after the date of the enactment of this Act, the President shall appoint a Coordinator for Iraq Assistance (hereinafter in this section referred to as the "Coordinator"), by and with the advice and consent of the Senate, who shall report directly to the President.

(b) DUTIES.—The Coordinator shall be responsible for—

(1) Developing and implementing an overall strategy for political, economic, and military assistance for Iraq;

(2) Coordinating and ensuring coherence of Iraq assistance programs and policy among all departments and agencies of the Government of the United States that are implementing assistance programs in Iraq, including the Department of State, the United States Agency for International Development, the Department of Defense, the Department of the Treasury, and the Department of Justice;

(3) Working with the Government of Iraq in meeting the benchmarks described in section 1904(a) of this Act in order to ensure Iraq continues to be eligible to receive United States assistance described in such section;

(4) Coordinating with other donors and international organizations that are providing assistance for Iraq;

(5) Ensuring adequate management and accountability of United States assistance programs for Iraq;

(6) Resolving policy and program disputes among departments and agencies of the United States Government that are implementing assistance programs in Iraq; and

(7) Coordinating United States assistance programs with the reconstruction programs funded and implemented by the Government of Iraq.

(c) RANK AND STATUS.—The Coordinator shall have the rank and status of ambassador.

CHAPTER 9

GENERAL PROVISIONS—THIS TITLE

SEC. 1901. (a) Congress finds that it is Defense Department policy that units should not be deployed for combat unless they are rated "fully mission capable".

(b) None of the funds appropriated or otherwise made available in this or any other Act may be used to deploy any unit of the Armed Forces to Iraq unless the chief of the military department concerned has certified in writing to the Committees on Appropriations and the Committees on Armed Services at least 15 days in advance of the deployment that the unit is fully mission capable.

(c) For purposes of subsection (b), the term "fully mission capable" means capable of performing assigned mission essential tasks to prescribed standards under the conditions expected in the theater of operations, consistent with the guidelines set forth in the Department of Defense readiness reporting system.

(d) The President, by certifying in writing to the Committees on Appropriations and the Committees on Armed Services that the deployment to Iraq of a unit that is not assessed fully mission capable is required for reasons of national security and by submitting along with the certification a report in classified and unclassified form detailing the particular reason or reasons why the unit's deployment is necessary despite the chief of the military department's assessment that the unit is not fully mission capable, may waive the limitation prescribed in subsection (b) on a unit-by-unit basis.

SEC. 1902. (a) Congress finds that it is Defense Department policy that Army, Army Reserve, and National Guard units should not be deployed for combat beyond 365 days or that Marine Corps and Marine Corps Reserve units should not be deployed for combat beyond 210 days.

(b) None of the funds appropriated or otherwise made available in this or any other Act may be obligated or expended to initiate the development of, continue the development of, or execute any order that has the effect of extending the deployment for Operation Iraqi Freedom of—

(1) any unit of the Army, Army Reserve or Army National Guard beyond 365 days; or

(2) any unit of the Marine Corps or Marine Corps Reserve beyond 210 days.

(c) The limitation prescribed in subsection (b) shall not be construed to require force levels in Iraq to be decreased below the total United States force levels in Iraq prior to January 10, 2007.

(d) The President, by certifying in writing to the Committees on Appropriations and the Committees on Armed Services that the extension of a unit's deployment in Iraq beyond the periods specified in subsection (b) is required for reasons of national security and by submitting along with the certification a report in classified and unclassified form detailing the particular reason or reasons why the unit's extended deployment is necessary, may waive the limitations prescribed in subsection (b) on a unit-by-unit basis.

SEC. 1903. (a) Congress finds that it is Defense Department policy that Army, Army Reserve, and National Guard units should not be redeployed for combat if the unit has been deployed within the previous 365 consecutive days or that Marine Corps and Marine Corps Reserve units should not be redeployed for combat if the unit has been deployed within the previous 210 days.

(b) None of the funds appropriated or otherwise made available in this or any other Act may be obligated or expended to initiate the development of, continue the development of, or execute any order that has the effect of deploying for Operation Iraqi Freedom of—

(1) any unit of the Army, Army Reserve or Army National Guard if such unit has been deployed within the previous 365 consecutive days; or

(2) any unit of the Marine Corps or Marine Corps Reserve if such unit has been deployed within the previous 210 consecutive days.

(c) The limitation prescribed in subsection (b) shall not be construed to require force levels in Iraq to be decreased below the total United States force levels in Iraq prior to January 10, 2007.

(d) The President, by certifying in writing to the Committees on Appropriations and the Committees on Armed Services that the redeployment of a unit to Iraq in advance of the periods specified in subsection (b) is required for reasons of national security and by submitting along with the certification a report in classified and unclassified form detailing the particular reason or reasons why the unit's redeployment is necessary, may waive the limitations prescribed in subsection (b) on a unit-by-unit basis.

SEC. 1904. (a) The President shall make and transmit to Congress the following determinations, along with reports in classified and unclassified form detailing the basis for each determination, on or before July 1, 2007:

(1) whether the Government of Iraq has given United States Armed Forces and Iraqi Security Forces the authority to pursue all extremists, including Sunni insurgents and Shiite militias, and is making substantial progress in delivering necessary Iraqi Security Forces for Baghdad and protecting such Forces from political interference; intensifying efforts to build balanced security forces throughout Iraq that provide even-handed security for all Iraqis; ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi Security Forces; eliminating militia control of local security; establishing a strong militia disarmament program;

ensuring fair and just enforcement of laws; establishing political, media, economic, and service committees in support of the Baghdad Security Plan; and eradicating safe havens;

(2) whether the Government of Iraq is making substantial progress in meeting its commitment to pursue reconciliation initiatives, including enactment of a hydro-carbon law; adoption of legislation necessary for the conduct of provincial and local elections; reform of current laws governing the de-Baathification process; amendment of the Constitution of Iraq; and allocation of Iraqi revenues for reconstruction projects;

(3) whether the Government of Iraq and United States Armed Forces are making substantial progress in reducing the level of sectarian violence in Iraq; and

(4) whether the Government of Iraq is ensuring the rights of minority political parties in the Iraqi Parliament are protected.

(b) If the President fails to make any of the determinations specified in subsection (a), the Secretary of Defense shall commence the redeployment of the Armed Forces from Iraq no later than July 1, 2007, with a goal of completing such redeployment within 180 days.

(c) If the President makes the determinations specified in subsection (a), the Secretary of Defense shall commence the redeployment of the Armed Forces from Iraq not later than October 1, 2007, with a goal of completing such redeployment within 180 days.

(d) Notwithstanding any other provision of law, funds appropriated or otherwise made available in this or any other Act are immediately available for obligation and expenditure to plan and execute a safe and orderly redeployment of the Armed Forces from Iraq, as specified in subsections (b) and (c).

(e) After the conclusion of the redeployment specified in subsections (b) and (c), the Secretary of Defense may not deploy or maintain members of the Armed Forces in Iraq for any purpose other than the following:

(1) Protecting American diplomatic facilities and American citizens, including members of the U.S. armed forces;

(2) Serving in roles consistent with customary diplomatic positions;

(3) Engaging in targeted special actions limited in duration and scope to killing or capturing members of al-Qaeda and other terrorist organizations with global reach; and

(4) Training and equipping members of the Iraqi Security Forces.

(f) Notwithstanding any other provision of law, 50 percent of the funds appropriated by title I of this Act for assistance to Iraq under each of the headings "Economic Support Fund" and "International Narcotics Control and Law Enforcement" shall be withheld from obligation until the President has made a certification to Congress that the Government of Iraq has enacted a broadly accepted hydro-carbon law that equitably shares oil revenues among all Iraqis; adopted legislation necessary for the conduct of provincial and local elections, taken steps to implement such legislation, and set a schedule to conduct provincial and local elections; reformed current laws governing the de-Baathification process to allow for more equitable treatment of individuals affected by such laws; amended the Constitution of Iraq consistent with the principles con-

tained in Article 137 of such constitution; and allocated and begun expenditure of $10,000,000,000 in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.

(g) The requirement to withhold funds from obligation pursuant to subsection (f) shall not apply with respect to funds made available under the heading "Economic Support Fund" for continued support for the Community Action Program and Community Stabilization Program in Iraq administered by the United States Agency for International Development or for programs and activities to promote democracy in Iraq.

(h) Beginning on September 1, 2007, and every 60 days thereafter, the Commander, Multi-National Forces—Iraq and the United States Ambassador to Iraq shall jointly submit to Congress a report describing and assessing in detail the current progress being made by the Government of Iraq regarding the criteria set forth in subsection (a).

TITLE II

ADDITIONAL HURRICANE DISASTER RELIEF AND RECOVERY

CHAPTER 1

DEPARTMENT OF AGRICULTURE

GENERAL PROVISION—THIS CHAPTER

SEC. 2101. Section 1231(k)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(k)(2)) is amended by striking "During calendar year 2006, the" and inserting "The".

CHAPTER 2

DEPARTMENT OF JUSTICE

OFFICE OF JUSTICE PROGRAMS

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For an additional amount for "State and Local Law Enforcement Assistance", for discretionary grants authorized by subpart 2 of part E, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 as in effect on September 30, 2006, notwithstanding the provisions of section 511 of said Act, $50,000,000, to remain available until expended: Provided, That the amount made available under this heading shall be for local law enforcement initiatives in the Gulf Coast region related to the aftermath of Hurricanes Katrina and Rita: Provided further, That these funds shall be apportioned among the States in quotient to their level of violent crime as estimated by the Federal Bureau of Investigation's Uniform Crime Report for the year 2005.

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, Research, and Facilities", for necessary expenses related to the consequences of Hurricanes Katrina and Rita on the shrimp and fishing industries, $110,000,000, to remain available until September 30, 2008.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

EXPLORATION CAPABILITIES

For an additional amount for "Exploration Capabilities" for necessary expenses related to the consequences of Hurricane Katrina, $35,000,000, to remain available until September 30, 2009.

GENERAL PROVISION—THIS CHAPTER

SEC. 2201. Up to $48,000,000 of amounts made available to the National Aeronautics and Space Administration in Public Law 109–148 and Public Law 109–234 for emergency hurricane and other natural disaster-related expenses may be used to reimburse hurricane-related costs incurred by NASA in fiscal year 2005.

CHAPTER 3

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION

For an additional amount for "Construction" for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, $25,300,000, to remain available until expended, which may be used to continue construction of projects related to interior drainage for the greater New Orleans metropolitan area.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies", as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), for necessary expenses relating to the consequences of Hurricanes Katrina and Rita and for other purposes, $1,407,700,000, to remain available until expended: Provided, That $1,300,000,000 of the amount provided may be used by the Secretary of the Army to carry out projects and measures for the West Bank and Vicinity and Lake Ponchartrain and Vicinity, Louisiana, projects, as described under the heading "Flood Control and Coastal Emergencies", in chapter 3 of Public Law 109–148: Provided further, That $107,700,000 of the amount provided may be used to implement the projects for hurricane storm damage reduction, flood damage reduction, and ecosystem restoration within Hancock, Harrison, and Jackson Counties, Mississippi substantially in accord-

ance with the Report of the Chief of Engineers dated December 31, 2006, and entitled "Mississippi, Coastal Improvements Program Interim Report, Hancock, Harrison, and Jackson Counties, Mississippi": Provided further, That projects authorized for implementation under this Chief's report shall be carried out at full Federal expense, except that the non-Federal interests shall be responsible for providing for all costs associated with operation and maintenance of the project: Provided further, That any project using funds appropriated under this heading shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of the project and to hold and save the United States free from damages due to the construction or operation and maintenance of the project, except for damages due to the fault or negligence of the United States or its contractors: Provided further, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of the Act.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2301. The Secretary is authorized and directed to determine the value of eligible reimbursable expenses incurred by local governments in storm-proofing pumping stations, constructing safe houses for operators, and other interim flood control measures in and around the New Orleans metropolitan area that the Secretary determines to be integral to the overall plan to ensure operability of the stations during hurricanes, storms and high water events and the flood control plan for the area.

SEC. 2302. (a) The Secretary of the Army is authorized and directed to utilize funds remaining available for obligation from the amounts appropriated in chapter 3 of Public Law 109–234 under the heading "Flood Control and Coastal Emergencies" for projects in the greater New Orleans metropolitan area to prosecute these projects in a manner which promotes the goal of continuing work at an optimal pace, while maximizing, to the greatest extent practicable, levels of protection to reduce the risk of storm damage to people and property.

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

(c) Any reallocation of funds that are necessary to accomplish the goal established in subsection (a) are authorized, subject to the approval of the House and Senate Committees on Appropriation.

SEC. 2303. The Chief of Engineers shall investigate the overall technical advantages, disadvantages and operational effectiveness of operating the new pumping stations at the mouths of the 17th Street, Orleans Avenue and London Avenue canals in the New Orleans area directed for construction in Public Law 109–234 concurrently or in series with existing pumping stations serving these canals and the advantages, disadvantages and technical operational effectiveness of removing the existing pumping stations and configuring the new pumping stations and associated canals to handle all

needed discharges; and the advantages, disadvantages and technical operational effectiveness of replacing or improving the floodwalls and levees adjacent to the three outfall canals: Provided, That the analysis should be conducted at Federal expense: Provided further, That the analysis shall be completed and furnished to the Congress not later than three months after enactment of this Act.

SEC. 2304. Using funds made available in Chapter 3 under title II of Public Law 109–234, under the heading "Investigations", the Secretary of the Army, in consultation with other agencies and the State of Louisiana shall accelerate completion as practicable the final report of the Chief of Engineers recommending a comprehensive plan to deauthorize deep draft navigation on the Mississippi River Gulf Outlet: Provided, That the plan shall incorporate and build upon the Interim Mississippi River Gulf Outlet Deep-Draft De-Authorization Report submitted to Congress in December 2006 pursuant to Public Law 109–234.

CHAPTER 4

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Of the unobligated balances under the heading "Small Business Administration, Disaster Loans Program Account", $25,069,000, to remain available until expended, shall be used for administrative expenses to carry out the disaster loan program, which may be transferred to and merged with "Small Business Administration, Salaries and Expenses".

Of the unobligated balances under the heading "Small Business Administration, Disaster Loans Program Account", $25,000,000 shall be used for loans under section 7(b)(2) of the Small Business Act for businesses located in an area for which the President declared a major disaster because of the hurricanes in the Gulf of Mexico in calendar year 2005, of which not to exceed $8,750,000 is for direct administrative expenses and may be transferred to and merged with "Small Business Administration, Salaries and Expenses" to carry out the disaster loan program of the Small Business Administration.

CHAPTER 5

DEPARTMENT OF HOMELAND SECURITY

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Disaster Relief", $4,610,000,000, to remain available until expended: Provided, That $4,000,000 shall be transferred to "Office of Inspector General".

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2501. (a) IN GENERAL.—Notwithstanding any other provision of law, including any agreement, the Federal share of assistance, including direct Federal assistance, provided for the States of Louisiana, Mississippi, Florida, Alabama, and Texas in connection with Hurricanes Katrina, Wilma, Dennis, and Rita under sections 403, 406, 407, and 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173, and 5174) shall be 100 percent of the eligible costs under such sections.

(b) APPLICABILITY.—The Federal share provided by subsection (a) shall apply to disaster assistance applied for before the date of enactment of this Act.

SEC. 2502. (a) COMMUNITY DISASTER LOAN ACT.—

(1) IN GENERAL.—Section 2(a) of the Community Disaster Loan Act of 2005 (Public Law 109–88) is amended by striking "Provided further, That notwithstanding section 417(c)(1) of the Stafford Act, such loans may not be canceled:".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective on the date of enactment of the Community Disaster Loan Act of 2005 (Public Law 109–88).

(b) EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT.—

(1) IN GENERAL.—Chapter 4 of title II of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234) is amended under Federal Emergency Management Agency, "Disaster Assistance Direct Loan Program Account" by striking "Provided further, That notwithstanding section 417(c)(1) of such Act, such loans may not be canceled:".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective on the date of enactment of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234).

SEC. 2503. (a) IN GENERAL.—Section 2401 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234) is amended by striking "12 months" and inserting "24 months".

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

CHAPTER 6

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

HISTORIC PRESERVATION FUND

For an additional amount for the "Historic Preservation Fund" for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, $10,000,000, to remain available until September 30, 2008: Provided, That the funds provided under this heading shall be provided to the State Historic Preservation Officer, after consultation with the National Park Service, for grants for disaster relief in areas of Louisiana impacted

by Hurricanes Katrina or Rita: Provided further, That grants shall be for the preservation, stabilization, rehabilitation, and repair of historic properties listed in or eligible for the National Register of Historic Places, for planning and technical assistance: Provided further, That grants shall only be available for areas that the President determines to be a major disaster under section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)) due to Hurricanes Katrina or Rita: Provided further, That individual grants shall not be subject to a non-Federal matching requirement: Provided further, That no more than 5 percent of funds provided under this heading for disaster relief grants may be used for administrative expenses.

GENERAL PROVISION—THIS CHAPTER

(INCLUDING TRANSFER OF FUNDS)

SEC. 2601. Of the disaster relief funds from Public Law 109–234, 120 Stat. 418, 461, (June 30, 2006), chapter 5, "National Park Service—Historic Preservation Fund", for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season that were allocated to the State of Mississippi by the National Park Service, $500,000 is hereby transferred to the "National Park Service—National Recreation and Preservation" appropriation: Provided, That these funds may be used to reconstruct destroyed properties that at the time of destruction were listed in the National Register of Historic Places and are otherwise qualified to receive these funds: Provided further, That the State Historic Preservation Officer certifies that, for the community where that destroyed property was located, the property is iconic to or essential to illustrating that community's historic identity, that no other property in that community with the same associative historic value has survived, and that sufficient historical documentation exists to ensure an accurate reproduction.

CHAPTER 7

DEPARTMENT OF EDUCATION

HIGHER EDUCATION

For an additional amount under part B of title VII of the Higher Education Act of 1965 ("HEA") for institutions of higher education (as defined in section 101 or section 102(c) of that Act) that are located in an area in which a major disaster was declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act related to Hurricanes Katrina or Rita, $30,000,000: Provided, That such funds shall be available to the Secretary of Education only for payments to help defray the expenses (which may include lost revenue, reimbursement for expenses already incurred, and construction) incurred by such institutions of higher education that were forced to close, relocate or significantly curtail their activities as a result of damage directly caused by such hurricanes and for payments to enable such institutions to provide grants to students who attend such institutions for academic years beginning on or after July 1, 2006: Provided further, That such payments shall be made in accordance with criteria established by the

Secretary and made publicly available without regard to section 437 of the General Education Provisions Act, section 553 of title 5, United States Code, or part B of title VII of the HEA.

HURRICANE EDUCATION RECOVERY

For carrying out activities authorized by subpart 1 of part D of title V of the Elementary and Secondary Education Act of 1965, $30,000,000, to remain available until expended, for use by the States of Louisiana, Mississippi, and Alabama primarily for recruiting, retaining, and compensating new and current teachers, school principals, assistant principals, principal resident directors, assistant directors, and other educators, who commit to work for at least three years in school-based positions in public elementary and secondary schools located in an area with respect to which a major disaster was declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) by reason of Hurricane Katrina or Hurricane Rita, including through such mechanisms as paying salary premiums, performance bonuses, housing subsidies, signing bonuses, and relocation costs and providing loan forgiveness, with priority given to teachers and school-based school principals, assistant principals, principal resident directors, assistant directors, and other educators who previously worked or lived in one of the affected areas, are currently employed (or become employed) in such a school in any of the affected areas after those disasters, and commit to continue that employment for at least 3 years, Provided, That funds available under this heading to such States may also be used for 1 or more of the following activities: (1) to build the capacity, knowledge, and skill of teachers and school-based school principals, assistant principals, principal resident directors, assistant directors, and other educators in such public elementary and secondary schools to provide an effective education, including the design, adaptation, and implementation of high-quality formative assessments; (2) the establishment of partnerships with nonprofit entities with a demonstrated track record in recruiting and retaining outstanding teachers and other school-based school principals, assistant principals, principal resident directors, and assistant directors; and (3) paid release time for teachers and principals to identify and replicate successful practices from the fastest-improving and highest-performing schools: Provided further, That the Secretary of Education shall allocate amounts available under this heading among such States that submit applications; that such allocation shall be based on the number of public elementary and secondary schools in each State that were closed for 19 days or more during the period beginning on August 29, 2005, and ending on December 31, 2005, due to Hurricane Katrina or Hurricane Rita; and that such States shall in turn allocate funds to local educational agencies, with priority given first to such agencies with the highest percentages of public elementary and secondary schools that are closed as a result of such hurricanes as of the date of enactment of this Act and then to such agencies with the highest percentages of public elementary and secondary schools with a student-teacher ratio of at least 25 to 1, and with any remaining amounts to be distributed to such agencies with demonstrated need, as determined by the State Superintendent of Education: Provided further, That, in the case of any State that chooses to use amounts

available under this heading for performance bonuses, not later than 60 days after the date of enactment of this Act, and in collaboration with local educational agencies, teachers' unions, local principals' organizations, local parents' organizations, local business organizations, and local charter schools organizations, the State educational agency shall develop a plan for a rating system for performance bonuses, and if no agreement has been reached that is satisfactory to all consulting entities by such deadline, the State educational agency shall immediately send a letter notifying Congress and shall, not later than 30 days after such notification, establish and implement a rating system that shall be based on classroom observation and feedback more than once annually, conducted by multiple sources (including, but not limited to, principals and master teachers), and evaluated against research-based rubrics that use planning, instructional, and learning environment standards to measure teacher performance, except that the requirements of this proviso shall not apply to a State that has enacted a State law in 2006 authorizing performance pay for teachers.

PROGRAMS TO RESTART SCHOOL OPERATIONS

Funds made available under section 102 of the Hurricane Education Recovery Act (title IV of division B of Public Law 109–148) may be used by the States of Louisiana, Mississippi, Alabama, and Texas, in addition to the uses of funds described in section 102(e), for the following costs: (1) recruiting, retaining, and compensating new and current teachers, school principals, assistant principals, principal resident directors, assistant directors, and other educators for school-based positions in public elementary and secondary schools impacted by Hurricane Katrina or Hurricane Rita, including through such mechanisms as paying salary premiums, performance bonuses, housing subsidies, signing bonuses, and relocation costs and providing loan forgiveness; (2) activities to build the capacity, knowledge, and skills of teachers and school-based school principals, assistant principals, principal resident directors, assistant directors, and other educators in such public elementary and secondary schools to provide an effective education, including the design, adaptation, and implementation of high-quality formative assessments; (3) the establishment of partnerships with nonprofit entities with a demonstrated track record in recruiting and retaining outstanding teachers and school-based school principals, assistant principals, principal resident directors, and assistant directors; and (4) paid release time for teachers and principals to identify and replicate successful practices from the fastest-improving and highest-performing schools.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2701. Section 105(b) of title IV of division B of Public Law 109–148 is amended by adding at the end the following new sentence: "With respect to the program authorized by section 102 of this Act, the waiver authority in subsection (a) of this section shall be available until the end of fiscal year 2008."

SEC. 2702. Notwithstanding section 2002(c) of the Social Security Act (42 U.S.C. 1397a(c)), funds made available under the heading "Social Services Block Grant" in division B of Public Law 109–

148 shall be available for expenditure by the States through the end of fiscal year 2009.

SEC. 2703. (a) In the event that Louisiana, Mississippi, Alabama, or Texas fails to meet its match requirement with funds appropriated in fiscal years 2006 or 2007, for fiscal years 2008 and 2009, the Secretary of Health and Human Services may waive the application of section 2617(d)(4) of the Public Health Service Act for Louisiana, Mississippi, Alabama, and Texas.

(b) The Secretary may not exercise the waiver authority available under subsection (a) to allow a grantee to provide less than a 25 percent matching grant.

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

CHAPTER 8

DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

EMERGENCY RELIEF PROGRAM

(INCLUDING RESCISSION OF FUNDS)

For an additional amount for the Emergency Relief Program as authorized under section 125 of title 23, United States Code, $682,942,000, to remain available until expended: Provided, That section 125(d)(1) of title 23, United States Code, shall not apply to emergency relief projects that respond to damage caused by the 2005–2006 winter storms in the State of California: Provided further, That of the unobligated balances of funds apportioned to each State under chapter 1 of title 23, United States Code, $682,942,000 are rescinded: Provided further, That such rescission shall not apply to the funds distributed in accordance with sections 130(f) and 104(b)(5) of title 23, United States Code; sections 133(d)(1) and 163 of such title, as in effect on the day before the date of enactment of Public Law 109–59; and the first sentence of section 133(d)(3)(A) of such title.

FEDERAL TRANSIT ADMINISTRATION

FORMULA GRANTS

For an additional amount to be allocated by the Secretary to recipients of assistance under chapter 53 of title 49, United States Code, directly affected by Hurricanes Katrina and Rita, $35,000,000, for the operating and capital costs of transit services, to remain available until expended: Provided, That the Federal share for any project funded from this amount shall be 100 percent.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

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

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2801. The third proviso under the heading "Department of Housing and Urban Development—Public and Indian Housing—Tenant-Based Rental Assistance" in chapter 9 of title I of division B of Public Law 109–148 (119 Stat. 2779) is amended by striking "for up to 18 months" and inserting "until December 31, 2007".

SEC. 2802. Section 21033 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by adding after the third proviso: ": Provided further, That notwithstanding the previous proviso, except for applying the 2007 Annual Adjustment Factor and making any other specified adjustments, public housing agencies specified in category 1 below shall receive funding for calendar year 2007 based on the higher of the amounts the agencies would receive under the previous proviso or the amounts the agencies received in calendar year 2006, and public housing agencies specified in categories 2 and 3 below shall receive funding for calendar year 2007 equal to the amounts the agencies received in calendar year 2006, except that public housing agencies specified in categories 1 and 2 below shall receive funding under this proviso only if, and to the extent that, any such public housing agency submits a plan, approved by the Secretary, that demonstrates that the agency can effectively use within 12 months the funding that the agency would receive under this proviso that is in addition to the funding that the agency would receive under the previous proviso: (1) public housing agencies that are eligible for assistance under section 901 in Public Law 109–148 (119 Stat. 2781) or are located in the same counties as those eligible under section 901 and operate voucher programs under section 8(o) of the U.S. Housing Act of 1937 but do not operate public housing under section 9 of such Act, and any public housing agency that otherwise qualifies under this category must demonstrate that they have experienced a loss of rental housing stock as a result of the 2005 hurricanes; (2) public housing agencies that would receive less funding under the previous proviso than they would receive under this proviso and that have been placed in receivership or the Secretary has declared to be in breach of an Annual Contributions Contract by June 1, 2007; and (3) public housing agencies that spent more in calendar year 2006 than the total of the amounts of any such public housing agency's allocation amount for calendar year 2006 and the amount of any such public housing agency's available housing assistance payments undesignated funds balance from calendar year 2005 and the amount of any such public housing agency's available administrative fees undesignated funds balance through calendar year 2006".

SEC. 2803. Section 901 of Public Law 109–148 is amended by deleting "calendar year 2006" and inserting "calendar years 2006 and 2007".

TITLE III

OTHER EMERGENCY APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, Research, and Facilities", $60,400,000, to remain available until September 30, 2008: Provided, That the National Marine Fisheries Service shall cause such amounts to be distributed among eligible recipients of assistance for the commercial fishery failure designated under section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)) and declared by the Secretary of Commerce on August 10, 2006.

CHAPTER 2

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATION AND MAINTENANCE

For an additional amount for "Operation and Maintenance" to dredge navigation channels related to the consequences of hurricanes of the 2005 season, $3,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies", as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), to support emergency operations, repairs and other activities in response to flood, drought and earthquake emergencies as authorized by law, $150,000,000, to remain available until expended: Provided, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of the Act.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

WATER AND RELATED RESOURCES

For an additional amount for "Water and Related Resources", $18,000,000, to remain available until expended for drought assistance: Provided, That drought assistance may be provided under the Reclamation States Drought Emergency Act or other applicable Reclamation authorities to assist drought plagued areas of the West.

CHAPTER 3

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Wildland Fire Management", $100,000,000, to remain available until expended, for urgent wildland fire suppression activities: Provided, That such funds shall only become available if funds previously provided for wildland fire suppression will be exhausted imminently and the Secretary of the Interior notifies the House and Senate Committees on Appropriations in writing of the need for these additional funds: Provided further, That such funds are also available for repayment to other appropriations accounts from which funds were transferred for wildfire suppression.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For an additional amount for "Resource Management" for the detection of highly pathogenic avian influenza in wild birds, including the investigation of morbidity and mortality events, targeted surveillance in live wild birds, and targeted surveillance in hunter-taken birds, $7,398,000, to remain available until September 30, 2008.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For an additional amount for "Operation of the National Park System" for the detection of highly pathogenic avian influenza in wild birds, including the investigation of morbidity and mortality events, $525,000, to remain available until September 30, 2008.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, Investigations, and Research" for the detection of highly pathogenic avian influenza in wild birds, including the investigation of morbidity and mortality events, targeted surveillance in live wild birds, and targeted surveillance in hunter-taken birds, $5,270,000, to remain available until September 30, 2008.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

NATIONAL FOREST SYSTEM

For an additional amount for "National Forest System" for the implementation of a nationwide initiative to increase protection of national forest lands from drug-trafficking organizations, including

funding for additional law enforcement personnel, training, equipment and cooperative agreements, $12,000,000, to remain available until expended.

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Wildland Fire Management", $400,000,000, to remain available until expended, for urgent wildland fire suppression activities: Provided, That such funds shall only become available if funds provided previously for wildland fire suppression will be exhausted imminently and the Secretary of Agriculture notifies the House and Senate Committees on Appropriations in writing of the need for these additional funds: Provided further, That such funds are also available for repayment to other appropriation accounts from which funds were transferred for wildfire suppression.

GENERAL PROVISION—THIS CHAPTER

SEC. 3301. (a) For fiscal year 2007, payments shall be made from any revenues, fees, penalties, or miscellaneous receipts described in sections 102(b)(3) and 103(b)(2) of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106–393; 16 U.S.C. 500 note), not to exceed $100,000,000, and the payments shall be made, to the maximum extent practicable, in the same amounts, for the same purposes, and in the same manner as were made to States and counties in 2006 under that Act.

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

(c) Titles II and III of Public Law 106–393 are amended, effective September 30, 2006, by striking "2006" and "2007" each place they appear and inserting "2007" and "2008", respectively.

CHAPTER 4

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH AND TRAINING

For an additional amount for "Department of Health and Human Services, Centers for Disease Control and Prevention, Disease Control, Research and Training", to carry out section 501 of the Federal Mine Safety and Health Act of 1977 and section 6 of the Mine Improvement and New Emergency Response Act of 2006, $13,000,000 for research to develop mine safety technology, including necessary repairs and improvements to leased laboratories: Provided, That progress reports on technology development shall be submitted to the House and Senate Committees on Appropriations and the Committee on Health, Education, Labor and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives on a quarterly basis: Provided further, That the

amount provided under this heading shall remain available until September 30, 2008.

For an additional amount for "Department of Health and Human Services, Centers for Disease Control and Prevention, Disease Control, Research and Training", to carry out activities under section 5011(b) of the Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006 (Public Law 109–148), $50,000,000, to remain available until expended.

ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW-INCOME HOME ENERGY ASSISTANCE

For an additional amount for "Low-Income Home Energy Assistance" under section 2604(a) through (d) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(a) through (d)), $200,000,000.

For an additional amount for "Low-Income Home Energy Assistance" under section 2604(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(e)), $200,000,000.

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Public Health and Social Services Emergency Fund" to prepare for and respond to an influenza pandemic, $625,000,000, to remain available until expended: Provided, That this amount shall be for activities including the development and purchase of vaccine, antivirals, necessary medical supplies, diagnostics, and other surveillance tools: Provided further, That products purchased with these funds may, at the discretion of the Secretary of Health and Human Services, be deposited in the Strategic National Stockpile: Provided further, That notwithstanding section 496(b) of the Public Health Service Act, funds may be used for the construction or renovation of privately owned facilities for the production of pandemic vaccine and other biologicals, where the Secretary finds such a contract necessary to secure sufficient supplies of such vaccines or biologicals: Provided further, That funds appropriated herein may be transferred to other appropriation accounts of the Department of Health and Human Services, as determined by the Secretary to be appropriate, to be used for the purposes specified in this sentence.

COVERED COUNTERMEASURE PROCESS FUND

For carrying out section 319F–4 of the Public Health Service Act (42 U.S.C. 247d–6e) to compensate individuals for injuries caused by H5N1 vaccine, in accordance with the declaration regarding avian influenza viruses issued by the Secretary of Health and Human Services on January 26, 2007, pursuant to section 319F–3(b) of such Act (42 U.S.C. 247d–6d(b)), $25,000,000, to remain available until expended.

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING RESCISSIONS)

SEC. 3401. (a). From unexpended balances available for the Training and Employment Services account under the Department of Labor, the following amounts are hereby rescinded:

(1) $3,589,000 transferred pursuant to the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107–38);

(2) $834,000 transferred pursuant to the Emergency Supplemental Appropriations Act of 1994 (Public Law 103–211); and

(3) $71,000 for the Consortium for Worker Education pursuant to the Emergency Supplemental Act, 2002 (Public Law 107–117).

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

SEC. 3402. (a) For an additional amount under "Department of Education, Safe Schools and Citizenship Education", $8,594,000 shall be available for Safe and Drug-Free Schools National Programs for competitive grants to local educational agencies to address youth violence and related issues.

(b) The competition under subsection (a) shall be limited to local educational agencies that operate schools currently identified as persistently dangerous under section 9532 of the Elementary and Secondary Education Act of 1965.

CHAPTER 5

LEGISLATIVE BRANCH

ARCHITECT OF THE CAPITOL

CAPITOL POWER PLANT

For an additional amount for "Capitol Power Plant", $50,000,000, for utility tunnel repairs and asbestos abatement, to remain available until September 30, 2011: Provided, That the Architect of the Capitol may not obligate any of the funds appropriated under this heading without approval of an obligation plan by the Committees on Appropriations of the Senate and House of Representatives.

CHAPTER 6

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL SERVICES

For an additional amount for "Medical Services", $466,778,000, to remain available until expended, of which $30,000,000 shall be

for the establishment of at least one new Level I comprehensive polytrauma center; $9,440,000 shall be for the establishment of polytrauma residential transitional rehabilitation programs; $10,000,000 shall be for additional transition caseworkers; $20,000,000 shall be for substance abuse treatment programs; $20,000,000 shall be for readjustment counseling; $10,000,000 shall be for blind rehabilitation services; $100,000,000 shall be for enhancements to mental health services; $8,000,000 shall be for polytrauma support clinic teams; $5,356,000 shall be for additional polytrauma points of contact; $228,982,000 shall be for treatment of Operation Enduring Freedom and Operation Iraqi Freedom veterans; and $25,000,000 shall be for prosthetics.

MEDICAL ADMINISTRATION

For an additional amount for "Medical Administration", $250,000,000, to remain available until expended.

MEDICAL FACILITIES

For an additional amount for "Medical Facilities", $595,000,000, to remain available until expended, of which $45,000,000 shall be used for facility and equipment upgrades at the Department of Veterans Affairs polytrauma network sites; and $550,000,000 shall be for non-recurring maintenance as identified in the Department of Veterans Affairs Facility Condition Assessment report: Provided, That the amount provided under this heading for non-recurring maintenance shall be allocated in a manner not subject to the Veterans Equitable Resource Allocation: Provided further, That within 30 days of enactment of this Act the Secretary shall submit to the Committees on Appropriations of both Houses of Congress an expenditure plan, by project, for non-recurring maintenance prior to obligation: Provided further, That semi-annually, on October 1 and April 1, the Secretary shall submit to the Committees on Appropriations of both Houses of Congress a report on the status of funding for non-recurring maintenance, including obligations and unobligated balances for each project identified in the expenditure plan.

MEDICAL AND PROSTHETIC RESEARCH

For an additional amount for "Medical and Prosthetic Research", $32,500,000, to remain available until expended, which shall be used for research related to the unique medical needs of returning Operation Enduring Freedom and Operation Iraqi Freedom veterans.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "General Operating Expenses", $83,200,000, to remain available until expended, of which $1,250,000 shall be for digitization of military records; $60,750,000 shall be for expenses related to hiring and training new claims processing personnel; up to $1,200,000 for an independent study of the organizational structure, management and coordination processes,

including seamless transition, utilized by the Department of Veterans Affairs to provide health care and benefits to active duty personnel and veterans, including those returning Operation Enduring Freedom and Operation Iraqi Freedom veterans; and $20,000,000 shall be for disability examinations: Provided, That not to exceed $1,250,000 of the amount appropriated under this heading may be transferred to the Department of Defense for the digitization of military records used to verify stressors for benefits claims.

INFORMATION TECHNOLOGY SYSTEMS

For an additional amount for "Information Technology Systems", $35,100,000, to remain available until expended, of which $20,000,000 shall be for information technology support and improvements for processing of Operation Enduring Freedom and Operation Iraqi Freedom veterans benefits claims, including making electronic Department of Defense medical records available for claims processing and enabling electronic benefits applications by veterans; and $15,100,000 shall be for electronic data breach remediation and prevention.

CONSTRUCTION, MINOR PROJECTS

For an additional amount for "Construction, Minor Projects", $326,000,000, to remain available until expended, of which up to $36,000,000 shall be for construction costs associated with the establishment of polytrauma residential transitional rehabilitation programs.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 3601. The Director of the Congressional Budget Office shall, not later than November 15, 2007, submit to the Committees on Appropriations of the House of Representatives and the Senate a report projecting appropriations necessary for the Departments of Defense and Veterans Affairs to continue providing necessary health care to veterans of the conflicts in Iraq and Afghanistan. The projections should span several scenarios for the duration and number of forces deployed in Iraq and Afghanistan, and more generally, for the long-term health care needs of deployed troops engaged in the global war on terrorism over the next ten years.

SEC. 3602. Notwithstanding any other provision of law, appropriations made by Public Law 110–5, which the Secretary of Veterans Affairs contributes to the Department of Defense/Department of Veterans Affairs Health Care Sharing Incentive Fund under the authority of section 8111(d) of title 38, United States Code, shall remain available until expended for any purpose authorized by section 8111 of title 38, United States Code.

SEC. 3603. (a)(1) Notwithstanding any other provision of law, the Secretary of Veterans Affairs (referred to in this section as the "Secretary") may convey to the State of Texas, without consideration, all right, title, and interest of the United States in and to the parcel of real property comprising the location of the Marlin, Texas, Department of Veterans Affairs Medical Center.

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

(b) In carrying out the conveyance under subsection (a), the Secretary—

(1) shall not be required to comply with, and shall not be held liable under, any Federal law (including a regulation) relating to the environment or historic preservation; but

(2) may, at the discretion of the Secretary, conduct environmental cleanup on the parcel to be conveyed, at a cost not to exceed $500,000, using amounts made available for environmental cleanup of sites under the jurisdiction of the Secretary.

TITLE IV

OTHER MATTERS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" of the Farm Service Agency, $37,500,000, to remain available until September 30, 2008: Provided, That this amount shall only be available for network and database/application stabilization.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4101. Of the funds made available through appropriations to the Food and Drug Administration for fiscal year 2007, not less than $4,000,000 shall be for the Office of Women's Health of such Administration.

SEC. 4102. None of the funds made available to the Department of Agriculture for fiscal year 2007 may be used to implement the risk-based inspection program in the 30 prototype locations announced on February 22, 2007, by the Under Secretary for Food Safety, or at any other locations, until the USDA Office of Inspector General has provided its findings to the Food Safety and Inspection Service and the Committees on Appropriations of the House of Representatives and the Senate on the data used in support of the development and design of the risk-based inspection program and FSIS has addressed and resolved issues identified by OIG.

CHAPTER 2

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4201. Hereafter, federal employees at the National Energy Technology Laboratory shall be classified as inherently governmental for the purpose of the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note).

SEC. 4202. PROHIBITION ON CERTAIN USES OF FUNDS BY BPA. None of the funds made available under this or any other Act shall be used during fiscal year 2007 to make, or plan or prepare to make, any payment on bonds issued by the Administrator of the Bonneville Power Administration (referred in this section as the

"Administrator") or for an appropriated Federal Columbia River Power System investment, if the payment is both—

(1) greater, during any fiscal year, than the payments calculated in the rate hearing of the Administrator to be made during that fiscal year using the repayment method used to establish the rates of the Administrator as in effect on October 1, 2006; and

(2) based or conditioned on the actual or expected net secondary power sales receipts of the Administrator.

CHAPTER 3

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4301. (a) Section 102(a)(3)(B) of the Help America Vote Act of 2002 (42 U.S.C. 15302(a)(3)(B)) is amended by striking "January 1, 2006" and inserting "March 1, 2008".

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

SEC. 4302. The structure of any of the offices or components within the Office of National Drug Control Policy shall remain as they were on October 1, 2006. None of the funds appropriated or otherwise made available in the Continuing Appropriations Resolution, 2007 (Public Law 110–5) may be used to implement a reorganization of offices within the Office of National Drug Control Policy without the explicit approval of the Committees on Appropriations of the House of Representatives and the Senate.

SEC. 4303. From the amount provided by section 21067 of the Continuing Appropriations Resolution, 2007 (Public Law 110–5), the National Archives and Records Administration may obligate monies necessary to carry out the activities of the Public Interest Declassification Board.

SEC. 4304. Notwithstanding the notice requirement of the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006, 119 Stat. 2509 (Public Law 109–115), as continued in section 104 of the Continuing Appropriations Resolution, 2007 (Public Law 110–5), the District of Columbia Courts may reallocate not more than $1,000,000 of the funds provided for fiscal year 2007 under the Federal Payment to the District of Columbia Courts for facilities among the items and entities funded under that heading for operations.

SEC. 4305. (a) Not later than 90 days after the date of enactment of this Act, the Secretary of the Treasury, in coordination with the Securities and Exchange Commission and in consultation with the Departments of State and Energy, shall prepare and submit to the Senate Committee on Appropriations, the House Committee on Appropriations, the Senate Committee on Banking, Housing, and Urban Affairs, the House Committee on Financial Services, the Senate Foreign Relations Committee, and the House Foreign Affairs Committee a written report, which may include a classified annex, containing the names of companies which either directly or through a parent or subsidiary company, including partly-owned subsidiaries, are known to conduct significant business operations in Sudan relating to natural resource extraction, including oil-related activities and mining of minerals. The reporting provision shall not

apply to companies operating under licenses from the Office of Foreign Assets Control or otherwise expressly exempted under United States law from having to obtain such licenses in order to operate in Sudan.

(b) Not later than 45 days following the submission to Congress of the list of companies conducting business operations in Sudan relating to natural resource extraction as required above, the General Services Administration shall determine whether the United States Government has an active contract for the procurement of goods or services with any of the identified companies, and provide notification to the appropriate committees of Congress, which may include a classified annex, regarding the companies, nature of the contract, and dollar amounts involved.

(INCLUDING RESCISSION)

SEC. 4306. (a) Of the funds provided for the General Services Administration, "Office of Inspector General" in section 21061 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5), $4,500,000 are rescinded.

(b) For an additional amount for the General Services Administration, "Office of Inspector General", $4,500,000, to remain available until September 30, 2008.

SEC. 4307. Section 21073 of the Continuing Appropriations Resolution, 2007 (Public Law 110–5) is amended by adding a new subsection (j) as follows:

"(j) Notwithstanding section 101, any appropriation or funds made available to the District of Columbia pursuant to this division for 'Federal Payment for Foster Care Improvement in the District of Columbia' shall be available in accordance with an expenditure plan submitted by the Mayor of the District of Columbia not later than 60 days after the enactment of this section which details the activities to be carried out with such Federal Payment.".

CHAPTER 4

DEPARTMENT OF HOMELAND SECURITY

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4401. Not to exceed $30,000,000 from unobligated balances remaining from prior appropriations for United States Coast Guard, "Retired Pay", shall remain available until expended in the account and for the purposes for which the appropriations were provided, including the payment of obligations otherwise chargeable to lapsed or current appropriations for this purpose.

SEC. 4402. (a) IN GENERAL.—Any contract, subcontract, task or delivery order described in subsection (b) shall contain the following:

(1) A requirement for a technical review of all designs, design changes, and engineering change proposals, and a requirement to specifically address all engineering concerns identified in the review before the obligation of further funds may occur.

(2) A requirement that the Coast Guard maintain technical warrant holder authority, or the equivalent, for major assets.

(3) A requirement that no procurement subject to subsection (b) for lead asset production or the implementation of a major design change shall be entered into unless an independent third party with no financial interest in the development, construction, or modification of any component of the asset, selected by the Commandant, determines that such action is advisable.

(4) A requirement for independent life-cycle cost estimates of lead assets and major design and engineering changes.

(5) A requirement for the measurement of contractor and subcontractor performance based on the status of all work performed. For contracts under the Integrated Deepwater Systems program, such requirement shall include a provision that links award fees to successful acquisition outcomes (which shall be defined in terms of cost, schedule, and performance).

(6) A requirement that the Commandant of the Coast Guard assign an appropriate officer or employee of the Coast Guard to act as chair of each integrated product team and higher-level team assigned to the oversight of each integrated product team.

(7) A requirement that the Commandant of the Coast Guard may not award or issue any contract, task or delivery order, letter contract modification thereof, or other similar contract, for the acquisition or modification of an asset under a procurement subject to subsection (b) unless the Coast Guard and the contractor concerned have formally agreed to all terms and conditions or the head of contracting activity for the Coast Guard determines that a compelling need exists for the award or issue of such instrument.

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

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

(2) any first-tier subcontract entered into under such a contract;

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

(c) EXPENDITURE OF DEEPWATER FUNDS.—Of the funds available for the Integrated Deepwater Systems program, $650,000,000 may not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive an expenditure plan directly from the Coast Guard that—

(1) defines activities, milestones, yearly costs, and life-cycle costs for each procurement of a major asset, including an independent cost estimate for each;

(2) identifies life-cycle staffing and training needs of Coast Guard project managers and of procurement and contract staff;

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

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

(5) contains very limited indefinite delivery/indefinite quantity contracts and explains the need for any indefinite delivery/indefinite quantity contracts;

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

(7) complies with the capital planning and investment control requirements established by the Office of Management and Budget, including circular A–11, part 7;

(8) includes a certification by the head of contracting activity for the Coast Guard and the Chief Procurement Officer of the Department of Homeland Security that the Coast Guard has established sufficient controls and procedures and has sufficient staffing to comply with all contracting requirements, and that any conflicts of interest have been sufficiently addressed;

(9) includes a description of the process used to act upon deviations from the contractually specified performance requirements and clearly explains the actions taken on such deviations;

(10) includes a certification that the Assistant Commandant of the Coast Guard for Engineering and Logistics is designated as the technical authority for all engineering, design, and logistics decisions pertaining to the Integrated Deepwater Systems program; and

(11) identifies progress in complying with the requirements of subsection (a).

(d) REPORTS.—(1) Not later than 30 days after the date of enactment of this Act, the Commandant of the Coast Guard shall submit to the Committees on Appropriations of the Senate and the House of Representatives; the Committee on Commerce, Science and Transportation of the Senate; and the Committee on Transportation and Infrastructure of the House of Representatives: (i) a report on the resources (including training, staff, and expertise) required by the Coast Guard to provide appropriate management and oversight of the Integrated Deepwater Systems program; and (ii) a report on how the Coast Guard will utilize full and open competition for any contract that provides for the acquisition or modification of assets under, or in support of, the Integrated Deepwater Systems program, entered into after the date of enactment of this Act; and (2) within 30 days following the submission of the expenditure plan required under subsection (c), the Government Accountability Office shall review the plan and brief the Committees on Appropriations of the Senate and the House of Representatives on its findings.

SEC. 4403. None of the funds provided in this Act or any other Act may be used to alter or reduce operations within the Civil Engineering Program of the Coast Guard nationwide, including the civil engineering units, facilities, design and construction centers, maintenance and logistics command centers, the Coast Guard Academy and the Coast Guard Research and Development Center, except as specifically authorized by a statute enacted after the date of enactment of this Act.

(INCLUDING RESCISSIONS OF FUNDS)

SEC. 4404. (a) RESCISSIONS.—The following unobligated balances made available pursuant to section 505 of Public Law 109–90 are rescinded: $1,200,962 from the "Office of the Secretary and Executive Management"; $512,855 from the "Office of the Under Secretary for Management"; $461,874 from the "Office of the Chief

Information Officer"; $45,080 from the "Office of the Chief Financial Officer"; $968,211 from Preparedness "Management and Administration"; $1,215,486 from Science and Technology "Management and Administration"; $450,000 from United States Secret Service "Salaries and Expenses"; $450,000 from Federal Emergency Management Agency "Administrative and Regional Operations"; and $25,595,532 from United States Coast Guard "Operating Expenses".

(b) ADDITIONAL APPROPRIATIONS.—

(1) For an additional amount for United States Coast Guard "Acquisition, Construction, and Improvements", $30,000,000, to remain available until September 30, 2009, to mitigate the Service's patrol boat operational gap; and

(2) For an additional amount for the "Office of the Under Secretary for Management", $900,000, for an independent study to compare the Department of Homeland Security senior career and political staffing levels and senior career training programs with those of similarly structured cabinet-level agencies.

SEC. 4405. (a) IN GENERAL.—With respect to contracts entered into after June 1, 2007, and except as provided in subsection (b), no entity performing lead system integrator functions in the acquisition of a major system by the Department of Homeland Security may have any direct financial interest in the development or construction of any individual system or element of any system of systems.

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

(1) the Secretary of Homeland Security certifies to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Homeland Security of the House of Representatives, the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Commerce, Science and Transportation of the Senate that—

(A) the entity was selected by the Department of Homeland Security as a contractor to develop or construct the system or element concerned through the use of competitive procedures; and

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

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

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

(d) REGULATIONS UPDATE.—Not later than June 1, 2007, the Secretary of Homeland Security shall update the acquisition regulations of the Department of Homeland Security in order to specify fully in such regulations the matters with respect to lead system integrators set forth in this section. Included in such regulations shall be (1) a precise and comprehensive definition of the term "lead system integrator", modeled after that used by the Department of De-

fense, and (2) a specification of various types of contracts and fee structures that are appropriate for use by lead system integrators in the production, fielding, and sustainment of complex systems.

CHAPTER 5

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4501. Section 20515 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by inserting before the period: "; and of which, not to exceed $143,628,000 shall be available for contract support costs under the terms and conditions contained in Public Law 109–54".

SEC. 4502. Section 20512 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by inserting after the first dollar amount: ", of which not to exceed $7,300,000 shall be transferred to the 'Indian Health Facilities' account; the amount in the second proviso shall be $18,000,000; the amount in the third proviso shall be $525,099,000; the amount in the ninth proviso shall be $269,730,000; and the $15,000,000 allocation of funding under the eleventh proviso shall not be required".

SEC. 4503. Section 20501 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by inserting after "$55,663,000" the following: "of which $13,000,000 shall be for Save America's Treasures".

SEC. 4504. Funds made available to the United States Fish and Wildlife Service for fiscal year 2007 under the heading "Land Acquisition" may be used for land conservation partnerships authorized by the Highlands Conservation Act of 2004.

CHAPTER 6

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

(TRANSFER OF FUNDS)

Of the amount provided by the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) for "National Institute of Allergy and Infectious Diseases", $49,500,000 shall be transferred to "Public Health and Social Services Emergency Fund" to carry out activities relating to advanced research and development as provided by section 319L of the Public Health Service Act.

OFFICE OF THE DIRECTOR

(TRANSFER OF FUNDS)

Of the amount provided by the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) for "Office of the Director", $49,500,000 shall be transferred to "Public Health and Social Services Emergency Fund"

to carry out activities relating to advanced research and development as provided by section 319L of the Public Health Service Act.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $300,000, to remain available until expended, for necessary expenses related to the requirements of the Post-Katrina Emergency Management Reform Act of 2006, as enacted by the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295).

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING TRANSFERS OF FUNDS AND RESCISSION)

SEC. 4601. Section 20602 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by inserting the following after "$5,000,000": "(together with an additional $7,000,000 which shall be transferred by the Pension Benefit Guaranty Corporation as an authorized administrative cost), to remain available through September 30, 2008,".

SEC. 4602. Section 20607 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by inserting "of which $9,666,000 shall be for the Women's Bureau," after "for child labor activities,".

SEC. 4603. Of the amount provided for "Department of Health and Human Services, Health Resources and Services Administration, Health Resources and Services" in the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5), $23,000,000 shall be for Poison Control Centers.

SEC. 4604. From the amounts made available by the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) for the Office of the Secretary, General Departmental Management under the Department of Health and Human Services, $1,000,000 are rescinded.

SEC. 4605. Section 20625(b)(1) of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by—

(1) striking "$7,172,994,000" and inserting "$7,176,431,000";

(2) amending subparagraph (A) to read as follows: "(A) $5,454,824,000 shall be for basic grants under section 1124 of the Elementary and Secondary Education Act of 1965 (ESEA), of which up to $3,437,000 shall be available to the Secretary of Education on October 1, 2006, to obtain annually updated educational-agency-level census poverty data from the Bureau of the Census;"; and

(3) amending subparagraph (C) to read as follows: "(C) not to exceed $2,352,000 may be available for section 1608 of the ESEA and for a clearinghouse on comprehensive school reform under part D of title V of the ESEA;".

SEC. 4606. The provision in the first proviso under the heading "Rehabilitation Services and Disability Research" in the Department

of Education Appropriations Act, 2006, relating to alternative financing programs under section 4(b)(2)(D) of the Assistive Technology Act of 1998 shall not apply to funds appropriated by the Continuing Appropriations Resolution, 2007.

SEC. 4607. Notwithstanding sections 20639 and 20640 of the Continuing Appropriations Resolution, 2007, as amended by section 2 of the Revised Continuing Appropriations Resolution, 2007 (Public Law 110–5), the Chief Executive Officer of the Corporation for National and Community Service may transfer an amount of not more than $1,360,000 from the account under the heading "National and Community Service Programs, Operating Expenses" under the heading "Corporation for National and Community Service", to the account under the heading "Salaries and Expenses" under the heading "Corporation for National and Community Service".

SEC. 4608. (a) Section 1310.12(a) of title 45, Code of Federal Regulations, shall take effect 30 days after the date of enactment of this Act.

(b)(1) Notwithstanding subsection (a), any vehicle used to transport children for a Head Start program as of January 1, 2007, shall not be subject to a requirement under such section (including a requirement based on the definitions set forth or referenced in section 1310.3 or any other provision set forth or referenced in part 1310 of such title, or any corresponding similar regulation or ruling) regarding rear emergency exit doors, for 1 year after that date of enactment.

(2) Not later than 60 days after the National Highway Traffic Safety Administration of the Department of Transportation submits its study on occupant protection on Head Start transit vehicles (related to Government Accountability Office report GAO–06–767R), the Secretary of Health and Human Services shall review and shall revise as necessary the allowable alternate vehicle standards described in that part 1310 (or any corresponding similar regulation or ruling) relating to allowable alternate vehicles used to transport children for a Head Start program. In making any such revision, the Secretary shall revise the standards to be consistent with the findings contained in such study, including making a determination on the exemption of such a vehicle from Federal seat spacing requirements, and Federal supporting seating requirements related to compartmentalization, if such vehicle meets all other applicable Federal motor vehicle safety standards, including standards for seating systems, occupant crash protection, seat belt assemblies, and child restraint anchorage systems consistent with that part 1310 (or any corresponding similar regulation or ruling).

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

CHAPTER 7

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Gloria W. Norwood, widow of Charles W. Norwood, Jr., late a Representative from the State of Georgia, $165,200.

CHAPTER 8

GENERAL PROVISIONS—THIS CHAPTER

TECHNICAL AMENDMENT

SEC. 4801. (a) Notwithstanding any other provision of law, subsection (c) under the heading "Assistance for the Independent States of the Former Soviet Union" in Public Law 109–102, shall not apply to funds appropriated by the Continuing Appropriations Resolution, 2007 (Public Law 109–289, division B) as amended by Public Laws 109–369, 109–383, and 110–5.

(b) Section 534(k) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006 (Public Law 109–102) is amended, in the second proviso, by inserting after "subsection (b) of that section" the following: "and the requirement that a majority of the members of the board of directors be United States citizens provided in subsection (d)(3)(B) of that section".

(c) Subject to section 101(c)(2) of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5), the amount of funds appropriated for "Foreign Military Financing Program" pursuant to such Resolution shall be construed to be the total of the amount appropriated for such program by section 20401 of that Resolution and the amount made available for such program by section 591 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006 (Public Law 109–102) which is made applicable to the fiscal year 2007 by the provisions of such Resolution.

SEC. 4802. Notwithstanding any provision of title I of division B of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Laws 109–369, 109–383, and 110–5), the dollar amount limitation of the first proviso under the heading, "Administration of Foreign Affairs, Diplomatic and Consular Programs", in title IV of the Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006 (Public Law 109–108; 119 Stat. 2319) shall not apply to funds appropriated under such heading for fiscal year 2007.

CHAPTER 9

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount to carry out the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, $6,150,000, to remain available until expended, to be derived from the Federal Housing Enterprises Oversight Fund and to be subject to the same terms and conditions pertaining to funds provided under this heading in Public Law 109–115: Provided, That not to exceed the total amount provided for these activities for fiscal year 2007 shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: Provided further, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than $0.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4901. Hereafter, funds limited or appropriated for the Department of Transportation may be obligated or expended to grant authority to a Mexican motor carrier to operate beyond United States municipalities and commercial zones on the United States-Mexico border only to the extent that—

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

(2) such pilot program complies with the requirements of section 350 of Public Law 107–87 and the requirements of section 31315(c) of title 49, United States Code, related to pilot programs; and

(3) simultaneous and comparable authority to operate within Mexico is made available to motor carriers domiciled in the United States.

SEC. 4902. Funds provided for the "National Transportation Safety Board, Salaries and Expenses" in section 21031 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) include amounts necessary to make lease payments due in fiscal year 2007 only, on an obligation incurred in 2001 under a capital lease.

SEC. 4903. Section 21033 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289, as amended by Public Law 110–5) is amended by adding after the second proviso: ": Provided further, That paragraph (2) under such heading in Public Law 109–115 (119 Stat. 2441) shall be funded at $149,300,000, but additional section 8 tenant protection rental assistance costs may be funded in 2007 by using unobligated balances, notwithstanding the purposes for which such amounts were appropriated, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading 'Annual Contributions for Assisted

Housing', the heading 'Housing Certificate Fund', and the heading 'Project-Based Rental Assistance' for fiscal year 2006 and prior fiscal years: Provided further, That paragraph (3) under such heading in Public Law 109–115 (119 Stat. 2441) shall be funded at $47,500,000: Provided further, That paragraph (4) under such heading in Public Law 109–115 (119 Stat. 2441) shall be funded at $5,900,000: Provided further, That paragraph (5) under such heading in Public Law 109–115 (119 Stat. 2441) shall be funded at $1,281,100,000, of which $1,251,100,000 shall be allocated for the calendar year 2007 funding cycle on a pro rata basis to public housing agencies based on the amount public housing agencies were eligible to receive in calendar year 2006, and of which up to $30,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, with up to $20,000,000 to be for fees associated with section 8 tenant protection rental assistance".

SEC. 4904. Section 232(b) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001 (Public Law 106–377) is amended to read as follows:

"(b) APPLICABILITY.—In the case of any dwelling unit that, upon the date of the enactment of this Act, is assisted under a housing assistance payment contract under section 8(o)(13) as in effect before such enactment, or under section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) as in effect before the enactment of the Quality Housing and Work Responsibility Act of 1998 (title V of Public Law 105–276), assistance may be renewed or extended under such section 8(o)(13), as amended by subsection (a), provided that the initial contract term and rent of such renewed or extended assistance shall be determined pursuant to subparagraphs (F) and (H), and subparagraphs (C) and (D) of such section shall not apply to such extensions or renewals.".

CHAPTER 10

GENERAL PROVISIONS—THIS ACT

AVAILABILITY OF FUNDS

SEC. 4950. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

DESIGNATION FOR TITLE I

SEC. 4951. Amounts in title I are designated as emergency requirements pursuant to section 402 of H. Con. Res. 95 (109th Congress), and as making appropriations for contingency operations directly related to the global war on terrorism and other unanticipated defense-related operations pursuant to section 402 of H. Con. Res. 376 (109th Congress) as made applicable to the House of Representatives by section 511(a)(4) of H. Res. 6 (110th Congress).

EMERGENCY DESIGNATION FOR OTHER TITLES

SEC. 4952. Amounts in titles II, III, V, and VI are designated as emergency requirements pursuant to section 402 of H. Con. Res. 95 (109th Congress), and pursuant to section 501 of H. Con. Res.

376 (109th Congress) as made applicable to the House of Representatives by section 511(a)(4) of H. Res. 6 (110th Congress).

TITLE V

AGRICULTURAL ASSISTANCE

SEC. 5101. CROP DISASTER ASSISTANCE.

(a) ASSISTANCE AVAILABLE.—There are hereby appropriated to the Secretary of Agriculture such sums as are necessary, to remain available until expended, to make emergency financial assistance available to producers on a farm that incurred qualifying quantity or quality losses for the 2005 or 2006 crop, or that part of the 2007 crop year before February 28, 2007, due to damaging weather or any related condition (including losses due to crop diseases, insects, and delayed planting), as determined by the Secretary. However, to be eligible for assistance, the crop subject to the loss must have been planted before February 28, 2007 or, in the case of prevented planting or other total loss, would have been planted before February 28, 2007 in the absence of the damaging weather or any related condition.

(b) ELECTION OF CROP YEAR.—If a producer incurred qualifying crop losses in more than one of the 2005, 2006, or 2007 crop years, the producer shall elect to receive assistance under this section for losses incurred in only one of such crop years. The producer may not receive assistance under this section for more than one crop year.

(c) ADMINISTRATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of Agriculture shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–55), including using the same loss thresholds for quantity and economic losses as were used in administering that section, except that the payment rate shall be 50 percent of the established price, instead of 65 percent.

(2) LOSS THRESHOLDS FOR QUALITY LOSSES.—In the case of a payment for quality loss for a crop under subsection (a), the loss thresholds for quality loss for the crop shall be determined under subsection (d).

(d) QUALITY LOSSES.—

(1) IN GENERAL.—Subject to paragraph (3), the amount of a payment made to producers on a farm for a quality loss for a crop under subsection (a) shall be equal to the amount obtained by multiplying—

(A) 65 percent of the payment quantity determined under paragraph (2); by

(B) 50 percent of the payment rate determined under paragraph (3).

(2) PAYMENT QUANTITY.—For the purpose of paragraph (1)(A), the payment quantity for quality losses for a crop of a commodity on a farm shall equal the lesser of—

(A) the actual production of the crop affected by a quality loss of the commodity on the farm; or

(B) the quantity of expected production of the crop affected by a quality loss of the commodity on the farm, using the formula used by the Secretary of Agriculture to determine quantity losses for the crop of the commodity under subsection (a).

(3) PAYMENT RATE.—For the purpose of paragraph (1)(B) and in accordance with paragraphs (5) and (6), the payment rate for quality losses for a crop of a commodity on a farm shall be equal to the difference between—

(A) the per unit market value that the units of the crop affected by the quality loss would have had if the crop had not suffered a quality loss; and

(B) the per unit market value of the units of the crop affected by the quality loss.

(4) ELIGIBILITY.—For producers on a farm to be eligible to obtain a payment for a quality loss for a crop under subsection (a), the amount obtained by multiplying the per unit loss determined under paragraph (1) by the number of units affected by the quality loss shall be at least 25 percent of the value that all affected production of the crop would have had if the crop had not suffered a quality loss.

(5) MARKETING CONTRACTS.—In the case of any production of a commodity that is sold pursuant to one or more marketing contracts (regardless of whether the contract is entered into by the producers on the farm before or after harvest) and for which appropriate documentation exists, the quantity designated in the contracts shall be eligible for quality loss assistance based on the one or more prices specified in the contracts.

(6) OTHER PRODUCTION.—For any additional production of a commodity for which a marketing contract does not exist or for which production continues to be owned by the producer, quality losses shall be based on the average local market discounts for reduced quality, as determined by the appropriate State committee of the Farm Service Agency.

(7) QUALITY ADJUSTMENTS AND DISCOUNTS.—The appropriate State committee of the Farm Service Agency shall identify the appropriate quality adjustment and discount factors to be considered in carrying out this subsection, including—

(A) the average local discounts actually applied to a crop; and

(B) the discount schedules applied to loans made by the Farm Service Agency or crop insurance coverage under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(8) ELIGIBLE PRODUCTION.—The Secretary of Agriculture shall carry out this subsection in a fair and equitable manner for all eligible production, including the production of fruits and vegetables, other specialty crops, and field crops.

(e) PAYMENT LIMITATIONS.—

(1) LIMIT ON AMOUNT OF ASSISTANCE.—Assistance provided under this section to a producer for losses to a crop, together with the amounts specified in paragraph (2) applicable to the same crop, may not exceed 95 percent of what the value of the crop would have been in the absence of the losses, as estimated by the Secretary of Agriculture.

(2) OTHER PAYMENTS.—In applying the limitation in paragraph (1), the Secretary shall include the following:

(A) Any crop insurance payment made under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or payment under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) that the producer receives for losses to the same crop.

(B) The value of the crop that was not lost (if any), as estimated by the Secretary.

(f) ELIGIBILITY REQUIREMENTS AND LIMITATIONS.—The producers on a farm shall not be eligible for assistance under this section with respect to losses to an insurable commodity or noninsurable commodity if the producers on the farm—

(1) in the case of an insurable commodity, did not obtain a policy or plan of insurance for the insurable commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for the crop incurring the losses;

(2) in the case of a noninsurable commodity, did not file the required paperwork, and pay the administrative fee by the applicable State filing deadline, for the noninsurable commodity under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) for the crop incurring the losses; or

(3) were not in compliance with highly erodible land conservation and wetland conservation provisions.

(g) TIMING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Agriculture shall make payments to producers on a farm for a crop under this section not later than 60 days after the date the producers on the farm submit to the Secretary a completed application for the payments.

(2) INTEREST.—If the Secretary does not make payments to the producers on a farm by the date described in paragraph (1), the Secretary shall pay to the producers on a farm interest on the payments at a rate equal to the current (as of the sign-up deadline established by the Secretary) market yield on outstanding, marketable obligations of the United States with maturities of 30 years.

(h) DEFINITIONS.—In this section:

(1) INSURABLE COMMODITY.—The term "insurable commodity" means an agricultural commodity (excluding livestock) for which the producers on a farm are eligible to obtain a policy or plan of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(2) NONINSURABLE COMMODITY.—The term "noninsurable commodity" means a crop for which the producers on a farm are eligible to obtain assistance under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

SEC. 5102. LIVESTOCK ASSISTANCE.

(a) LIVESTOCK COMPENSATION PROGRAM.—

(1) AVAILABILITY OF ASSISTANCE.—There are hereby appropriated to the Secretary of Agriculture such sums as are necessary, to remain available until expended, to carry out the livestock compensation program established under subpart B of

part 1416 of title 7, Code of Federal Regulations, as announced by the Secretary on February 12, 2007 (72 Fed. Reg. 6443), to provide compensation for livestock losses between January 1, 2005 and February 28, 2007, due to a disaster, as determined by the Secretary (including losses due to blizzards that started in 2006 and continued into January 2007). However, the payment rate for compensation under this subsection shall be 70 percent of the payment rate otherwise applicable under such program. In addition, section 1416.102(b)(2)(ii) of title 7, Code of Federal Regulations (72 Fed. Reg. 6444) shall not apply.

(2) ELIGIBLE APPLICANTS.—In carrying out the program described in paragraph (1), the Secretary shall provide assistance to any applicant that—

(A) conducts a livestock operation that is located in a disaster county with eligible livestock specified in paragraph (1) of section 1416.102(a) of title 7, Code of Federal Regulations (72 Fed. Reg. 6444), an animal described in section 10806(a)(1) of the Farm Security and Rural Investment Act of 2002 (21 U.S.C. 321d(a)(1)), or other animals designated by the Secretary as livestock for purposes of this subsection; and

(B) meets the requirements of paragraphs (3) and (4) of section 1416.102(a) of title 7, Code of Federal Regulations, and all other eligibility requirements established by the Secretary for the program.

(3) ELECTION OF LOSSES.—

(A) If a producer incurred eligible livestock losses in more than one of the 2005, 2006, or 2007 calendar years, the producer shall elect to receive payments under this subsection for losses incurred in only one of such calendar years, and such losses must have been incurred in a county declared or designated as a disaster county in that same calendar year.

(B) Producers may elect to receive compensation for losses in the calendar year 2007 grazing season that are attributable to wildfires occurring during the applicable period, as determined by the Secretary.

(4) MITIGATION.—In determining the eligibility for or amount of payments for which a producer is eligible under the livestock compensation program, the Secretary shall not penalize a producer that takes actions (recognizing disaster conditions) that reduce the average number of livestock the producer owned for grazing during the production year for which assistance is being provided.

(5) DEFINITIONS.—In this subsection:

(A) DISASTER COUNTY.—The term "disaster county" means—

(i) a county included in the geographic area covered by a natural disaster declaration; and

(ii) each county contiguous to a county described in clause (i).

(B) NATURAL DISASTER DECLARATION.—The term "natural disaster declaration" means—

(i) a natural disaster declared by the Secretary between January 1, 2005 and February 28, 2007 under

section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a));

(ii) a major disaster or emergency designated by the President between January 1, 2005 and February 28, 2007 under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or

(iii) a determination of a Farm Service Agency Administrator's Physical Loss Notice if such notice applies to a county included under (ii).

(b) LIVESTOCK INDEMNITY PAYMENTS.—

(1) AVAILABILITY OF ASSISTANCE.—There are hereby appropriated to the Secretary of Agriculture such sums as are necessary, to remain available until expended, to make livestock indemnity payments to producers on farms that have incurred livestock losses between January 1, 2005 and February 28, 2007, due to a disaster, as determined by the Secretary (including losses due to blizzards that started in 2006 and continued into January 2007) in a disaster county. To be eligible for assistance, applicants must meet all eligibility requirements established by the Secretary for the program.

(2) ELECTION OF LOSSES.—If a producer incurred eligible livestock losses in more than one of the 2005, 2006, or 2007 calendar years, the producer shall elect to receive payments under this subsection for losses incurred in only one of such calendar years. The producer may not receive payments under this subsection for more than one calendar year.

(3) PAYMENT RATES.—Indemnity payments to a producer on a farm under paragraph (1) shall be made at a rate of not less than 30 percent of the market value of the applicable livestock on the day before the date of death of the livestock, as determined by the Secretary.

(4) LIVESTOCK DEFINED.—In this subsection, the term "livestock" means an animal that—

(A) is specified in clause (i) of section 1416.203(a)(2) of title 7, Code of Federal Regulations (72 Fed. Reg. 6445), or is designated by the Secretary as livestock for purposes of this subsection; and

(B) meets the requirements of clauses (iii) and (iv) of such section.

(5) DEFINITIONS.—In this subsection:

(A) DISASTER COUNTY.—The term "disaster county" means—

(i) a county included in the geographic area covered by a natural disaster declaration; and

(ii) each county contiguous to a county described in clause (i).

(B) NATURAL DISASTER DECLARATION.—The term "natural disaster declaration" means—

(i) a natural disaster declared by the Secretary between January 1, 2005 and February 28, 2007 under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a));

(ii) a major disaster or emergency designated by the President between January 1, 2005 and February

28, 2007 under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or

(iii) a determination of a Farm Service Agency Administrator's Physical Loss Notice if such notice applies to a county included under (ii).

SEC. 5103. EMERGENCY CONSERVATION PROGRAM.

There is hereby appropriated to the Secretary of Agriculture $20,000,000, to remain available until expended, to provide assistance under the Emergency Conservation Program under title IV of the Agriculture Credit Act of 1978 (16 U.S.C. 2201 et seq.) for the cleanup and restoration of farm and agricultural production lands.

SEC. 5104. PAYMENT LIMITATIONS.

(a) REDUCTION IN PAYMENTS TO REFLECT PAYMENTS FOR SAME OR SIMILAR LOSSES.—The amount of any payment for which a producer is eligible under sections 5101 and 5102 shall be reduced by any amount received by the producer for the same loss or any similar loss under—

(1) the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109–148; 119 Stat. 2680);

(2) an agricultural disaster assistance provision contained in the announcement of the Secretary on January 26, 2006, or August 29, 2006; or

(3) the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234; 120 Stat. 418).

(b) ADJUSTED GROSS INCOME LIMITATION.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a) shall apply with respect to assistance provided under sections 5101, 5102, and 5103.

SEC. 5105. ADMINISTRATION.

(a) REGULATIONS.—The Secretary of Agriculture may promulgate such regulations as are necessary to implement sections 5101 and 5102.

(b) PROCEDURE.—The promulgation of the implementing regulations and the administration of sections 5101 and 5102 shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary of Agriculture shall use the authority provided under section 808 of title 5, United States Code.

(d) USE OF COMMODITY CREDIT CORPORATION; LIMITATION.—In implementing sections 5101 and 5102, the Secretary of Agriculture may use the facilities, services, and authorities of the Commodity Credit Corporation. The Corporation shall not make any expendi-

tures to carry out sections 5101 and 5102 unless funds have been specifically appropriated for such purpose.

SEC. 5106. MILK INCOME LOSS CONTRACT PROGRAM.

Section 1502(c)(3) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7982(c)(3)) is amended—

(1) in subparagraph (A), by adding "and" at the end;

(2) in subparagraph (B), by striking "August" and all that follows through the end and inserting "September 30, 2007, 34 percent."; and

(3) by striking subparagraph (C).

SEC. 5107. DAIRY ASSISTANCE.

There is hereby appropriated $20,000,000 to make payments to dairy producers for dairy production losses in disaster counties, as defined in section 5102 of this title, to remain available until expended.

SEC. 5108. NONINSURED CROP ASSISTANCE PROGRAM.

For states in which there is a shortage of claims adjustors, as determined by the Secretary, the Secretary shall permit the use of one claims adjustor certified by the Secretary in carrying out 7 CFR 1437.401.

SEC. 5109. EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.

There is hereby appropriated $21,000,000 to carry out section 2281 of the Food, Agriculture, Conservation and Trade Act of 1990 (42 U.S.C. 5177a), to remain available until expended.

SEC. 5110. CONSERVATION SECURITY PROGRAM.

Section 20115 of Public Law 110–5 is amended by striking "section 726" and inserting in lieu thereof "section 726; section 741".

SEC. 5111. ADMINISTRATIVE EXPENSES.

There is hereby appropriated $30,000,000 for the 'Farm Service Agency, Salaries and Expenses', to remain available until September 30, 2008.

SEC. 5112. CONTRACT WAIVER.

In carrying out crop disaster and livestock assistance in this title, the Secretary shall require forage producers to have participated in a crop insurance pilot program or the Non-Insured Crop Disaster Assistance Program during the crop year for which compensation is received.

TITLE VI

ELIMINATION OF SCHIP SHORTFALL AND OTHER MATTERS

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR MEDICARE AND MEDICAID SERVICES STATE CHILDREN'S HEALTH INSURANCE FUND

For an additional amount to provide additional allotments to remaining shortfall States under section 2104(h)(4) of the Social Security Act, as inserted by section 6001, such sums as may be necessary, but not to exceed $650,000,000 for fiscal year 2007, to remain available until expended.

SEC. 6001. ELIMINATION OF REMAINDER OF SCHIP FUNDING SHORTFALLS FOR FISCAL YEAR 2007.

(a) ELIMINATION OF REMAINDER OF FUNDING SHORTFALLS, TIERED MATCH, AND OTHER LIMITATION ON EXPENDITURES.—Section 2104(h) of the Social Security Act (42 U.S.C. 1397dd(h)), as added by section 201(a) of the National Institutes of Health Reform Act of 2006 (Public Law 109–482), is amended—

(1) in the heading for paragraph (2), by striking "REMAINDER OF REDUCTION" and inserting "PART"; and

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

"(4) ADDITIONAL AMOUNTS TO ELIMINATE REMAINDER OF FISCAL YEAR 2007 FUNDING SHORTFALLS.—

"(A) IN GENERAL.—From the amounts provided in advance in appropriations Acts, the Secretary shall allot to each remaining shortfall State described in subparagraph (B) such amount as the Secretary determines will eliminate the estimated shortfall described in such subparagraph for the State for fiscal year 2007.

"(B) REMAINING SHORTFALL STATE DESCRIBED.—For purposes of subparagraph (A), a remaining shortfall State is a State with a State child health plan approved under this title for which the Secretary estimates, on the basis of the most recent data available to the Secretary as of the date of the enactment of this paragraph, that the projected Federal expenditures under such plan for the State for fiscal year 2007 will exceed the sum of—

"(i) the amount of the State's allotments for each of fiscal years 2005 and 2006 that will not be expended by the end of fiscal year 2006;

"(ii) the amount of the State's allotment for fiscal year 2007; and

"(iii) the amounts, if any, that are to be redistributed to the State during fiscal year 2007 in accordance with paragraphs (1) and (2).".

(b) CONFORMING AMENDMENTS.—Section 2104(h) of such Act (42 U.S.C. 1397dd(h)) (as so added), is amended—

(1) in paragraph (1)(B), by striking "subject to paragraph (4)(B) and";

(2) in paragraph (2)(B), by striking "subject to paragraph (4)(B) and";

(3) in paragraph (5)(A), by striking "and (3)" and inserting "(3), and (4)"; and

(4) in paragraph (6)—

(A) in the first sentence—

(i) by inserting "or allotted" after "redistributed"; and

(ii) by inserting "or allotments" after "redistributions"; and

(B) by striking "and (3)" and inserting "(3), and (4)".

SEC. 6002. (a) PROHIBITION.—

(1) LIMITATION ON SECRETARIAL AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to the date that is 1 year after the date of enactment of this Act, take any action (through

promulgation of regulation, issuance of regulatory guidance, or other administrative action) to—

(A) finalize or otherwise implement provisions contained in the proposed rule published on January 18, 2007, on pages 2236 through 2248 of volume 72, Federal Register (relating to parts 433, 447, and 457 of title 42, Code of Federal Regulations);

(B) promulgate or implement any rule or provisions similar to the provisions described in subparagraph (A) pertaining to the Medicaid program established under title XIX of the Social Security Act or the State Children's Health Insurance Program established under title XXI of such Act; or

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

(2) CONTINUATION OF OTHER SECRETARIAL AUTHORITY.—The Secretary of Health and Human Service shall not be prohibited during the period described in paragraph (1) from taking any action (through promulgation of regulation, issuance of regulatory guidance, or other administrative action) to enforce a provision of law in effect as of the date of enactment of this Act with respect to the Medicaid program or the State Children's Health Insurance Program, or to promulgate or implement a new rule or provision during such period with respect to such programs, other than a rule or provision described in paragraph (1) and subject to the prohibition set forth in that paragraph.

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

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

(A) by striking "or" at the end of paragraph (21);

(B) by striking the period at the end of paragraph (22) and inserting "; or"; and

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

"(23) with respect to amounts expended for medical assistance for covered outpatient drugs (as defined in section 1927(k)(2)) for which the prescription was executed in written (and non-electronic) form unless the prescription was executed on a tamper-resistant pad.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to prescriptions executed after September 30, 2007.

(c) EXTENSION OF CERTAIN PHARMACY PLUS WAIVERS.—

(1) AUTHORITY TO CONTINUE TO OPERATE WAIVERS.—Notwithstanding any other provision of law, any State that is operating a Pharmacy Plus waiver described in paragraph (2) which would otherwise expire on June 30, 2007, may elect to continue to operate the waiver through December 31, 2009.

(2) PHARMACY PLUS WAIVER DESCRIBED.—For purposes of paragraph (1), a Pharmacy Plus waiver described in this paragraph is a waiver approved by the Secretary of Health and Human Services under the authority of section 1115 of the So-

cial Security Act (42 U.S.C. 1315) that provides coverage for prescription drugs for individuals who have attained age 65 and whose family income does not exceed 200 percent of the poverty line (as defined in section 2110(c)(5) of such Act (42 U.S.C. 1397jj(c)(5)).

TITLE VII

FAIR MINIMUM WAGE AND TAX RELIEF

Subtitle A—Fair Minimum Wage

SEC. 7000. SHORT TITLE.

This subtitle may be cited as the "Fair Minimum Wage Act of 2007".

SEC. 7001. MINIMUM WAGE.

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

"(1) except as otherwise provided in this section, not less than—

"(A) $5.85 an hour, beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2007;

"(B) $6.55 an hour, beginning 12 months after that 60th day; and

"(C) $7.25 an hour, beginning 24 months after that 60th day;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 60 days after the date of enactment of this Act.

SEC. 7002. APPLICABILITY OF MINIMUM WAGE TO AMERICAN SAMOA AND THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to American Samoa and the Commonwealth of the Northern Mariana Islands.

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

(1) the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall be—

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

(B) increased by $0.50 an hour (or such lesser amount as may be necessary to equal the minimum wage under section 6(a)(1) of such Act), beginning 1 year after the date of enactment of this Act and each year thereafter until the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under this paragraph is equal to the minimum wage set forth in such section; and

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

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

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

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

(c) CONFORMING AMENDMENTS.—

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

(A) by striking sections 5 and 8; and

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

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

SEC. 7003. STUDY ON PROJECTED IMPACT.

(a) STUDY.—Beginning on the date that is 26 months after the date of enactment of this Act, the Secretary of Labor shall, through the Bureau of Labor Statistics, conduct a study to—

(1) assess the impact of the wage increases required by this Act through such date; and

(2) to project the impact of any further wage increase,

on living standards and rates of employment in American Samoa and the Commonwealth of the Northern Mariana Islands.

(b) REPORT.—Not later than the date that is 32 months after the date of enactment of this Act, the Secretary of Labor shall transmit to Congress a report on the findings of the study required by subsection (a).

Subtitle B—Small Business Incentives

SEC. 7004. SHORT TITLE.

This subtitle may be cited as the "Small Business and Work Opportunity Act of 2007".

SEC. 7005. ENHANCED COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by striking subsection (a) and inserting the following:

"(a) COMPLIANCE GUIDE.—

"(1) IN GENERAL.—For each rule or group of related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 605(b) of title 5, United States Code, the agency shall publish 1 or more guides to assist small entities in complying with the rule and shall entitle such publications 'small entity compliance guides'.

"(2) PUBLICATION OF GUIDES.—The publication of each guide under this subsection shall include—

"(A) the posting of the guide in an easily identified location on the website of the agency; and

"(B) distribution of the guide to known industry contacts, such as small entities, associations, or industry leaders affected by the rule.

"(3) PUBLICATION DATE.—An agency shall publish each guide (including the posting and distribution of the guide as described under paragraph (2))—

"(A) on the same date as the date of publication of the final rule (or as soon as possible after that date); and

"(B) not later than the date on which the requirements of that rule become effective.

"(4) COMPLIANCE ACTIONS.—

"(A) IN GENERAL.—Each guide shall explain the actions a small entity is required to take to comply with a rule.

"(B) EXPLANATION.—The explanation under subparagraph (A)—

"(i) shall include a description of actions needed to meet the requirements of a rule, to enable a small entity to know when such requirements are met; and

"(ii) if determined appropriate by the agency, may include a description of possible procedures, such as conducting tests, that may assist a small entity in meeting such requirements, except that, compliance with any procedures described pursuant to this section does not establish compliance with the rule, or establish a presumption or inference of such compliance.

"(C) PROCEDURES.—Procedures described under subparagraph (B)(ii)—

"(i) shall be suggestions to assist small entities; and

"(ii) shall not be additional requirements, or diminish requirements, relating to the rule.

"(5) AGENCY PREPARATION OF GUIDES.—The agency shall, in its sole discretion, taking into account the subject matter of the rule and the language of relevant statutes, ensure that the guide is written using sufficiently plain language likely to be understood by affected small entities. Agencies may prepare separate guides covering groups or classes of similarly affected small entities and may cooperate with associations of small entities to develop and distribute such guides. An agency may prepare guides and apply this section with respect to a rule or a group of related rules.

"(6) REPORTING.—Not later than 1 year after the date of enactment of the Fair Minimum Wage Act of 2007, and annually thereafter, the head of each agency shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Small Business of the House of Representatives, and any other committee of relevant jurisdiction describing the status of the agency's compliance with paragraphs (1) through (5).".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 211(3) of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by inserting "and entitled" after "designated".

SEC. 7006. SMALL BUSINESS CHILD CARE GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall establish a program to award grants to States, on a competitive basis,

to assist States in providing funds to encourage the establishment and operation of employer-operated child care programs.

(b) APPLICATION.—To be eligible to receive a grant under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the funds required under subsection (e) will be provided.

(c) AMOUNT AND PERIOD OF GRANT.—The Secretary shall determine the amount of a grant to a State under this section based on the population of the State as compared to the population of all States receiving grants under this section. The Secretary shall make the grant for a period of 3 years.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A State shall use amounts provided under a grant awarded under this section to provide assistance to small businesses (or consortia formed in accordance with paragraph (3)) located in the State to enable the small businesses (or consortia) to establish and operate child care programs. Such assistance may include—

(A) technical assistance in the establishment of a child care program;

(B) assistance for the startup costs related to a child care program;

(C) assistance for the training of child care providers;

(D) scholarships for low-income wage earners;

(E) the provision of services to care for sick children or to provide care to school-aged children;

(F) the entering into of contracts with local resource and referral organizations or local health departments;

(G) assistance for care for children with disabilities;

(H) payment of expenses for renovation or operation of a child care facility; or

(I) assistance for any other activity determined appropriate by the State.

(2) APPLICATION.—In order for a small business or consortium to be eligible to receive assistance from a State under this section, the small business involved shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require.

(3) PREFERENCE.—

(A) IN GENERAL.—In providing assistance under this section, a State shall give priority to an applicant that desires to form a consortium to provide child care in a geographic area within the State where such care is not generally available or accessible.

(B) CONSORTIUM.—For purposes of subparagraph (A), a consortium shall be made up of 2 or more entities that shall include small businesses and that may include large businesses, nonprofit agencies or organizations, local governments, or other appropriate entities.

(4) LIMITATIONS.—With respect to grant funds received under this section, a State may not provide in excess of $500,000 in assistance from such funds to any single applicant.

(e) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section, a State shall provide assurances to the Secretary

that, with respect to the costs to be incurred by a covered entity receiving assistance in carrying out activities under this section, the covered entity will make available (directly or through donations from public or private entities) non-Federal contributions to such costs in an amount equal to—

(1) for the first fiscal year in which the covered entity receives such assistance, not less than 50 percent of such costs ($1 for each $1 of assistance provided to the covered entity under the grant);

(2) for the second fiscal year in which the covered entity receives such assistance, not less than 66⅔ percent of such costs ($2 for each $1 of assistance provided to the covered entity under the grant); and

(3) for the third fiscal year in which the covered entity receives such assistance, not less than 75 percent of such costs ($3 for each $1 of assistance provided to the covered entity under the grant).

(f) REQUIREMENTS OF PROVIDERS.—To be eligible to receive assistance under a grant awarded under this section, a child care provider—

(1) who receives assistance from a State shall comply with all applicable State and local licensing and regulatory requirements and all applicable health and safety standards in effect in the State; and

(2) who receives assistance from an Indian tribe or tribal organization shall comply with all applicable regulatory standards.

(g) STATE-LEVEL ACTIVITIES.—A State may not retain more than 3 percent of the amount described in subsection (c) for State administration and other State-level activities.

(h) ADMINISTRATION.—

(1) STATE RESPONSIBILITY.—A State shall have responsibility for administering a grant awarded for the State under this section and for monitoring covered entities that receive assistance under such grant.

(2) AUDITS.—A State shall require each covered entity receiving assistance under the grant awarded under this section to conduct an annual audit with respect to the activities of the covered entity. Such audits shall be submitted to the State.

(3) MISUSE OF FUNDS.—

(A) REPAYMENT.—If the State determines, through an audit or otherwise, that a covered entity receiving assistance under a grant awarded under this section has misused the assistance, the State shall notify the Secretary of the misuse. The Secretary, upon such a notification, may seek from such a covered entity the repayment of an amount equal to the amount of any such misused assistance plus interest.

(B) APPEALS PROCESS.—The Secretary shall by regulation provide for an appeals process with respect to repayments under this paragraph.

(i) REPORTING REQUIREMENTS.—

(1) 2-YEAR STUDY.—

(A) IN GENERAL.—Not later than 2 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine—

(i) the capacity of covered entities to meet the child care needs of communities within States;

(ii) the kinds of consortia that are being formed with respect to child care at the local level to carry out programs funded under this section; and

(iii) who is using the programs funded under this section and the income levels of such individuals.

(B) REPORT.—Not later than 28 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(2) 4-YEAR STUDY.—

(A) IN GENERAL.—Not later than 4 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine the number of child care facilities that are funded through covered entities that received assistance through a grant awarded under this section and that remain in operation, and the extent to which such facilities are meeting the child care needs of the individuals served by such facilities.

(B) REPORT.—Not later than 52 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(j) DEFINITIONS.—In this section:

(1) COVERED ENTITY.—The term "covered entity" means a small business or a consortium formed in accordance with subsection (d)(3).

(2) INDIAN COMMUNITY.—The term "Indian community" means a community served by an Indian tribe or tribal organization.

(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms "Indian tribe" and "tribal organization" have the meanings given the terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(4) SMALL BUSINESS.—The term "small business" means an employer who employed an average of at least 2 but not more than 50 employees on the business days during the preceding calendar year.

(5) STATE.—The term "State" has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(k) APPLICATION TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In this section:

(1) IN GENERAL.—Except as provided in subsection (f)(1), and in paragraphs (2) and (3), the term "State" includes an Indian tribe or tribal organization.

(2) GEOGRAPHIC REFERENCES.—The term "State" includes an Indian community in subsections (c) (the second and third place the term appears), (d)(1) (the second place the term ap-

pears), (d)(3)(A) (the second place the term appears), and (i)(1)(A)(i).

(3) STATE-LEVEL ACTIVITIES.—The term "State-level activities" includes activities at the tribal level.

(l) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, $50,000,000 for the period of fiscal years 2008 through 2012.

(2) STUDIES AND ADMINISTRATION.—With respect to the total amount appropriated for such period in accordance with this subsection, not more than $2,500,000 of that amount may be used for expenditures related to conducting studies required under, and the administration of, this section.

(m) TERMINATION OF PROGRAM.—The program established under subsection (a) shall terminate on September 30, 2012.

SEC. 7007. STUDY OF UNIVERSAL USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on a study of the benefits, costs, risks, and barriers to workers and to businesses (with a special emphasis on small businesses) if the advance earned income tax credit program (under section 3507 of the Internal Revenue Code of 1986) included all recipients of the earned income tax credit (under section 32 of such Code) and what steps would be necessary to implement such inclusion.

SEC. 7008. RENEWAL GRANTS FOR WOMEN'S BUSINESS CENTERS.

(a) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

"(m) CONTINUED FUNDING FOR CENTERS.—

"(1) IN GENERAL.—A nonprofit organization described in paragraph (2) shall be eligible to receive, subject to paragraph (3), a 3-year grant under this subsection.

"(2) APPLICABILITY.—A nonprofit organization described in this paragraph is a nonprofit organization that has received funding under subsection (b) or (l).

"(3) APPLICATION AND APPROVAL CRITERIA.—

"(A) CRITERIA.—Subject to subparagraph (B), the Administrator shall develop and publish criteria for the consideration and approval of applications by nonprofit organizations under this subsection.

"(B) CONTENTS.—Except as otherwise provided in this subsection, the conditions for participation in the grant program under this subsection shall be the same as the conditions for participation in the program under subsection (l), as in effect on the date of enactment of this Act.

"(C) NOTIFICATION.—Not later than 60 days after the date of the deadline to submit applications for each fiscal year, the Administrator shall approve or deny any application under this subsection and notify the applicant for each such application.

"(4) AWARD OF GRANTS.—

"(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall make a grant for the

Federal share of the cost of activities described in the application to each applicant approved under this subsection.

"(B) AMOUNT.—A grant under this subsection shall be for not more than $150,000, for each year of that grant.

"(C) FEDERAL SHARE.—The Federal share under this subsection shall be not more than 50 percent.

"(D) PRIORITY.—In allocating funds made available for grants under this section, the Administrator shall give applications under this subsection or subsection (l) priority over first-time applications under subsection (b).

"(5) RENEWAL.—

"(A) IN GENERAL.—The Administrator may renew a grant under this subsection for additional 3-year periods, if the nonprofit organization submits an application for such renewal at such time, in such manner, and accompanied by such information as the Administrator may establish.

"(B) UNLIMITED RENEWALS.—There shall be no limitation on the number of times a grant may be renewed under subparagraph (A).

"(n) PRIVACY REQUIREMENTS.—

"(1) IN GENERAL.—A women's business center may not disclose the name, address, or telephone number of any individual or small business concern receiving assistance under this section without the consent of such individual or small business concern, unless—

"(A) the Administrator is ordered to make such a disclosure by a court in any civil or criminal enforcement action initiated by a Federal or State agency; or

"(B) the Administrator considers such a disclosure to be necessary for the purpose of conducting a financial audit of a women's business center, but a disclosure under this subparagraph shall be limited to the information necessary for such audit.

"(2) ADMINISTRATION USE OF INFORMATION.—This subsection shall not—

"(A) restrict Administration access to program activity data; or

"(B) prevent the Administration from using client information (other than the information described in subparagraph (A)) to conduct client surveys.

"(3) REGULATIONS.—The Administrator shall issue regulations to establish standards for requiring disclosures during a financial audit under paragraph (1)(B).".

(b) REPEAL.—Section 29(l) of the Small Business Act (15 U.S.C. 656(l)) is repealed effective October 1 of the first full fiscal year after the date of enactment of this Act.

(c) TRANSITIONAL RULE.—Notwithstanding any other provision of law, a grant or cooperative agreement that was awarded under subsection (l) of section 29 of the Small Business Act (15 U.S.C. 656), on or before the day before the date described in subsection (b) of this section, shall remain in full force and effect under the terms, and for the duration, of such grant or agreement.

SEC. 7009. REPORTS ON ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES MANUFACTURED OUTSIDE THE UNITED STATES.

Section 2 of the Buy American Act (41 U.S.C. 10a) is amended—

(1) by striking "Notwithstanding" and inserting the following:

"(a) IN GENERAL.—Notwithstanding"; and

(2) by adding at the end the following:

"(b) REPORTS.—

"(1) IN GENERAL.—Not later than 180 days after the end of each of fiscal years 2007 through 2011, the head of each Federal agency shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives a report on the amount of the acquisitions made by the agency in that fiscal year of articles, materials, or supplies purchased from entities that manufacture the articles, materials, or supplies outside of the United States.

"(2) CONTENTS OF REPORT.—The report required by paragraph (1) shall separately include, for the fiscal year covered by such report—

"(A) the dollar value of any articles, materials, or supplies that were manufactured outside the United States;

"(B) an itemized list of all waivers granted with respect to such articles, materials, or supplies under this Act, and a citation to the treaty, international agreement, or other law under which each waiver was granted;

"(C) if any articles, materials, or supplies were acquired from entities that manufacture articles, materials, or supplies outside the United States, the specific exception under this section that was used to purchase such articles, materials, or supplies; and

"(D) a summary of—

"(i) the total procurement funds expended on articles, materials, and supplies manufactured inside the United States; and

"(ii) the total procurement funds expended on articles, materials, and supplies manufactured outside the United States.

"(3) PUBLIC AVAILABILITY.—The head of each Federal agency submitting a report under paragraph (1) shall make the report publicly available to the maximum extent practicable.

"(4) EXCEPTION FOR INTELLIGENCE COMMUNITY.—This subsection shall not apply to acquisitions made by an agency, or component thereof, that is an element of the intelligence community as specified in, or designated under, section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).".

Subtitle C—Small Business Tax Incentives

SEC. 7510. SHORT TITLE; AMENDMENT OF CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This subtitle may be cited as the "Small Business and Work Opportunity Tax Act of 2007".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is ex-

pressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Subtitle C—Small Business Tax Incentives

Sec. 7510. Short title; amendment of Code; table of contents.

PART I—SMALL BUSINESS TAX RELIEF PROVISIONS

SUBPART A—GENERAL PROVISIONS

Sec. 7511. Extension and modification of work opportunity tax credit.
Sec. 7512. Extension and increase of expensing for small business.
Sec. 7513. Determination of credit for certain taxes paid with respect to employee cash tips.
Sec. 7514. Waiver of individual and corporate alternative minimum tax limits on work opportunity credit and credit for taxes paid with respect to employee cash tips.
Sec. 7515. Family business tax simplification.

SUBPART B—GULF OPPORTUNITY ZONE TAX INCENTIVES

Sec. 7521. Extension of increased expensing for qualified section 179 Gulf Opportunity Zone property.
Sec. 7522. Extension and expansion of low-income housing credit rules for buildings in the GO Zones.
Sec. 7523. Special tax-exempt bond financing rule for repairs and reconstructions of residences in the GO Zones.
Sec. 7524. GAO study of practices employed by State and local governments in allocating and utilizing tax incentives provided pursuant to the Gulf Opportunity Zone Act of 2005.

SUBPART C—SUBCHAPTER S PROVISIONS

Sec. 7531. Capital gain of S corporation not treated as passive investment income.
Sec. 7532. Treatment of bank director shares.
Sec. 7533. Special rule for bank required to change from the reserve method of accounting on becoming S corporation.
Sec. 7534. Treatment of the sale of interest in a qualified subchapter S subsidiary.
Sec. 7535. Elimination of all earnings and profits attributable to pre-1983 years for certain corporations.
Sec. 7536. Deductibility of interest expense on indebtedness incurred by an electing small business trust to acquire S corporation stock.

PART II—REVENUE PROVISIONS

Sec. 7541. Increase in age of minor children whose unearned income is taxed as if parent's income.
Sec. 7542. Suspension of certain penalties and interest.
Sec. 7543. Modification of collection due process procedures for employment tax liabilities.
Sec. 7544. Permanent extension of IRS user fees.
Sec. 7545. Increase in penalty for bad checks and money orders.
Sec. 7546. Understatement of taxpayer liability by return preparers.
Sec. 7547. Penalty for filing erroneous refund claims.
Sec. 7548. Time for payment of corporate estimated taxes.

PART I—SMALL BUSINESS TAX RELIEF PROVISIONS

Subpart A—General Provisions

SEC. 7511. EXTENSION AND MODIFICATION OF WORK OPPORTUNITY TAX CREDIT.

(a) EXTENSION.—Section 51(c)(4)(B) (relating to termination) is amended by striking "December 31, 2007" and inserting "August 31, 2011".

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

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

"(5) DESIGNATED COMMUNITY RESIDENTS.—

"(A) IN GENERAL.—The term 'designated community resident' means any individual who is certified by the designated local agency—

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

"(ii) as having his principal place of abode within an empowerment zone, enterprise community, renewal community, or rural renewal county.

"(B) INDIVIDUAL MUST CONTINUE TO RESIDE IN ZONE, COMMUNITY, OR COUNTY.—In the case of a designated community resident, the term 'qualified wages' shall not include wages paid or incurred for services performed while the individual's principal place of abode is outside an empowerment zone, enterprise community, renewal community, or rural renewal county.

"(C) RURAL RENEWAL COUNTY.—For purposes of this paragraph, the term 'rural renewal county' means any county which—

"(i) is outside a metropolitan statistical area (defined as such by the Office of Management and Budget), and

"(ii) during the 5-year periods 1990 through 1994 and 1995 through 1999 had a net population loss.".

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

"(D) a designated community resident,".

(c) CLARIFICATION OF TREATMENT OF INDIVIDUALS UNDER INDIVIDUAL WORK PLANS.—Subparagraph (B) of section 51(d)(6) (relating to vocational rehabilitation referral) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", or", and by adding at the end the following new clause:

"(iii) an individual work plan developed and implemented by an employment network pursuant to subsection (g) of section 1148 of the Social Security Act with respect to which the requirements of such subsection are met.".

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

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

(A) IN GENERAL.—Subparagraph (A) of section 51(d)(3) (relating to qualified veteran) is amended by striking "agency as being a member of a family" and all that follows and inserting "agency as—

"(i) being a member of a family receiving assistance under a food stamp program under the Food Stamp Act of 1977 for at least a 3-month period ending during the 12-month period ending on the hiring date, or

"(ii) entitled to compensation for a service-connected disability, and—

"(I) having a hiring date which is not more that 1 year after having been discharged or released from active duty in the Armed Forces of the United States, or

"(II) having aggregate periods of unemployment during the 1-year period ending on the hiring date which equal or exceed 6 months.".

(B) DEFINITIONS.—Paragraph (3) of section 51(d) is amended by adding at the end the following new subparagraph:

"(C) OTHER DEFINITIONS.—For purposes of subparagraph (A), the terms 'compensation' and 'service-connected' have the meanings given such terms under section 101 of title 38, United States Code.".

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

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

(B) by striking "ONLY FIRST $6,000 OF" in the heading and inserting "LIMITATION ON".

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

SEC. 7512. EXTENSION AND INCREASE OF EXPENSING FOR SMALL BUSINESS.

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

(b) INCREASE IN LIMITATIONS.—Subsection (b) of section 179 is amended—

(1) by striking "$100,000 in the case of taxable years beginning after 2002" in paragraph (1) and inserting "$125,000 in the case of taxable years beginning after 2006", and

(2) by striking "$400,000 in the case of taxable years beginning after 2002" in paragraph (2) and inserting "$500,000 in the case of taxable years beginning after 2006".

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

(1) by striking "2003" and inserting "2007",

(2) by striking "$100,000 and $400,000" and inserting "$125,000 and $500,000", and

(3) by striking "2002" in clause (ii) and inserting "2006".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 7513. DETERMINATION OF CREDIT FOR CERTAIN TAXES PAID WITH RESPECT TO EMPLOYEE CASH TIPS.

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

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

SEC. 7514. WAIVER OF INDIVIDUAL AND CORPORATE ALTERNATIVE MINIMUM TAX LIMITS ON WORK OPPORTUNITY CREDIT AND CREDIT FOR TAXES PAID WITH RESPECT TO EMPLOYEE CASH TIPS.

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

"(iii) the credit determined under section 45B, and

"(iv) the credit determined under section 51.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined under sections 45B and 51 of the Internal Revenue Code of 1986 in taxable years beginning after December 31, 2006, and to carrybacks of such credits.

SEC. 7515. FAMILY BUSINESS TAX SIMPLIFICATION.

(a) IN GENERAL.—Section 761 (defining terms for purposes of partnerships) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) QUALIFIED JOINT VENTURE.—

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

"(A) such joint venture shall not be treated as a partnership,

"(B) all items of income, gain, loss, deduction, and credit shall be divided between the spouses in accordance with their respective interests in the venture, and

"(C) each spouse shall take into account such spouse's respective share of such items as if they were attributable to a trade or business conducted by such spouse as a sole proprietor.

"(2) QUALIFIED JOINT VENTURE.—For purposes of paragraph (1), the term 'qualified joint venture' means any joint venture involving the conduct of a trade or business if—

"(A) the only members of such joint venture are a husband and wife,

"(B) both spouses materially participate (within the meaning of section 469(h) without regard to paragraph (5) thereof) in such trade or business, and

"(C) both spouses elect the application of this subsection.".

(b) NET EARNINGS FROM SELF-EMPLOYMENT.—

(1) Subsection (a) of section 1402 (defining net earnings from self-employment) is amended by striking ", and" at the end of paragraph (15) and inserting a semicolon, by striking the period at the end of paragraph (16) and inserting "; and", and by inserting after paragraph (16) the following new paragraph:

"(17) notwithstanding the preceding provisions of this subsection, each spouse's share of income or loss from a qualified joint venture shall be taken into account as provided in section 761(f) in determining net earnings from self-employment of such spouse.".

(2) Subsection (a) of section 211 of the Social Security Act (defining net earnings from self-employment) is amended by striking "and" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting "; and", and by inserting after paragraph (15) the following new paragraph:

"(16) Notwithstanding the preceding provisions of this subsection, each spouse's share of income or loss from a qualified joint venture shall be taken into account as provided in section 761(f) of the Internal Revenue Code of 1986 in determining net earnings from self-employment of such spouse.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

Subpart B—Gulf Opportunity Zone Tax Incentives

SEC. 7521. EXTENSION OF INCREASED EXPENSING FOR QUALIFIED SECTION 179 GULF OPPORTUNITY ZONE PROPERTY.

Paragraph (2) of section 1400N(e) (relating to qualified section 179 Gulf Opportunity Zone property) is amended—

(1) by striking "this subsection, the term" and inserting "this subsection—

"(A) IN GENERAL.—The term", and

(2) by adding at the end the following new subparagraph:

"(B) EXTENSION FOR CERTAIN PROPERTY.—In the case of property substantially all of the use of which is in one or more specified portions of the GO Zone (as defined by subsection (d)(6)), such term shall include section 179 property (as so defined) which is described in subsection (d)(2), determined—

"(i) without regard to subsection (d)(6), and

"(ii) by substituting '2008' for '2007' in subparagraph (A)(v) thereof.".

SEC. 7522. EXTENSION AND EXPANSION OF LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN THE GO ZONES.

(a) TIME FOR MAKING LOW-INCOME HOUSING CREDIT ALLOCATIONS.—Subsection (c) of section 1400N (relating to low-income housing credit) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) TIME FOR MAKING LOW-INCOME HOUSING CREDIT ALLOCATIONS.—Section 42(h)(1)(B) shall not apply to an allocation of housing credit dollar amount to a building located in the Gulf Opportunity Zone, the Rita GO Zone, or the Wilma GO

Zone, if such allocation is made in 2006, 2007, or 2008, and such building is placed in service before January 1, 2011.".

(b) EXTENSION OF PERIOD FOR TREATING GO ZONES AS DIFFICULT DEVELOPMENT AREAS.—

(1) IN GENERAL.—Subparagraph (A) of section 1400N(c)(3) is amended by striking "2006, 2007, or 2008" and inserting "the period beginning on January 1, 2006, and ending on December 31, 2010".

(2) CONFORMING AMENDMENT.—Clause (ii) of section 1400N(c)(3)(B) is amended by striking "such period" and inserting "the period described in subparagraph (A)".

(c) COMMUNITY DEVELOPMENT BLOCK GRANTS NOT TAKEN INTO ACCOUNT IN DETERMINING IF BUILDINGS ARE FEDERALLY SUBSIDIZED.—Subsection (c) of section 1400N (relating to low-income housing credit), as amended by this Act, is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) COMMUNITY DEVELOPMENT BLOCK GRANTS NOT TAKEN INTO ACCOUNT IN DETERMINING IF BUILDINGS ARE FEDERALLY SUBSIDIZED.—For purpose of applying section 42(i)(2)(D) to any building which is placed in service in the Gulf Opportunity Zone, the Rita GO Zone, or the Wilma GO Zone during the period beginning on January 1, 2006, and ending on December 31, 2010, a loan shall not be treated as a below market Federal loan solely by reason of any assistance provided under section 106, 107, or 108 of the Housing and Community Development Act of 1974 by reason of section 122 of such Act or any provision of the Department of Defense Appropriations Act, 2006, or the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006.".

SEC. 7523. SPECIAL TAX-EXEMPT BOND FINANCING RULE FOR REPAIRS AND RECONSTRUCTIONS OF RESIDENCES IN THE GO ZONES.

Subsection (a) of section 1400N (relating to tax-exempt bond financing) is amended by adding at the end the following new paragraph:

"(7) SPECIAL RULE FOR REPAIRS AND RECONSTRUCTIONS.—

"(A) IN GENERAL.—For purposes of section 143 and this subsection, any qualified GO Zone repair or reconstruction shall be treated as a qualified rehabilitation.

"(B) QUALIFIED GO ZONE REPAIR OR RECONSTRUCTION.—For purposes of subparagraph (A), the term 'qualified GO Zone repair or reconstruction' means any repair of damage caused by Hurricane Katrina, Hurricane Rita, or Hurricane Wilma to a building located in the Gulf Opportunity Zone, the Rita GO Zone, or the Wilma GO Zone (or reconstruction of such building in the case of damage constituting destruction) if the expenditures for such repair or reconstruction are 25 percent or more of the mortgagor's adjusted basis in the residence. For purposes of the preceding sentence, the mortgagor's adjusted basis shall be determined as of the completion of the repair or reconstruction or, if later, the date on which the mortgagor acquires the residence.

"(C) TERMINATION.—This paragraph shall apply only to owner-financing provided after the date of the enactment of this paragraph and before January 1, 2011.".

SEC. 7524. GAO STUDY OF PRACTICES EMPLOYED BY STATE AND LOCAL GOVERNMENTS IN ALLOCATING AND UTILIZING TAX INCENTIVES PROVIDED PURSUANT TO THE GULF OPPORTUNITY ZONE ACT OF 2005.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the practices employed by State and local governments, and subdivisions thereof, in allocating and utilizing tax incentives provided pursuant to the Gulf Opportunity Zone Act of 2005 and this Act.

(b) SUBMISSION OF REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit a report on the findings of the study conducted under subsection (a) and shall include therein recommendations (if any) relating to such findings. The report shall be submitted to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(c) CONGRESSIONAL HEARINGS.—In the case that the report submitted under this section includes findings of significant fraud, waste or abuse, each Committee specified in subsection (b) shall, within 60 days after the date the report is submitted under subsection (b), hold a public hearing to review such findings.

Subpart C—Subchapter S Provisions

SEC. 7531. CAPITAL GAIN OF S CORPORATION NOT TREATED AS PASSIVE INVESTMENT INCOME.

(a) IN GENERAL.—Section 1362(d)(3) is amended by striking subparagraphs (B), (C), (D), (E), and (F) and inserting the following new subparagraph:

"(B) PASSIVE INVESTMENT INCOME DEFINED.—

"(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, and annuities.

"(ii) EXCEPTION FOR INTEREST ON NOTES FROM SALES OF INVENTORY.—The term 'passive investment income' shall not include interest on any obligation acquired in the ordinary course of the corporation's trade or business from its sale of property described in section 1221(a)(1).

"(iii) TREATMENT OF CERTAIN LENDING OR FINANCE COMPANIES.—If the S corporation meets the requirements of section 542(c)(6) for the taxable year, the term 'passive investment income' shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1)).

"(iv) TREATMENT OF CERTAIN DIVIDENDS.—If an S corporation holds stock in a C corporation meeting the requirements of section 1504(a)(2), the term 'passive investment income' shall not include dividends from such C corporation to the extent such dividends are attrib-

utable to the earnings and profits of such C corporation derived from the active conduct of a trade or business.

"(v) EXCEPTION FOR BANKS, ETC.—In the case of a bank (as defined in section 581) or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)), the term 'passive investment income' shall not include—

"(I) interest income earned by such bank or company, or

"(II) dividends on assets required to be held by such bank or company, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.".

(b) CONFORMING AMENDMENT.—Clause (i) of section 1042(c)(4)(A) is amended by striking "section 1362(d)(3)(C)" and inserting "section 1362(d)(3)(B)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 7532. TREATMENT OF BANK DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—

"(1) IN GENERAL.—Restricted bank director stock shall not be taken into account as outstanding stock of the S corporation in applying this subchapter (other than section 1368(f)).

"(2) RESTRICTED BANK DIRECTOR STOCK.—For purposes of this subsection, the term 'restricted bank director stock' means stock in a bank (as defined in section 581) or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)), if such stock—

"(A) is required to be held by an individual under applicable Federal or State law in order to permit such individual to serve as a director, and

"(B) is subject to an agreement with such bank or company (or a corporation which controls (within the meaning of section 368(c)) such bank or company) pursuant to which the holder is required to sell back such stock (at the same price as the individual acquired such stock) upon ceasing to hold the office of director.

"(3) CROSS REFERENCE.—

"For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f)".

(b) DISTRIBUTIONS.—Section 1368 (relating to distributions) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—If a director receives a distribution (not in part or full payment in exchange for stock) from an S corporation with respect to any restricted bank director stock (as defined in section 1361(f)), the amount of such distribution—

"(1) shall be includible in gross income of the director, and

"(2) shall be deductible by the corporation for the taxable year of such corporation in which or with which ends the taxable year in which such amount in included in the gross income of the director.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

(2) SPECIAL RULE FOR TREATMENT AS SECOND CLASS OF STOCK.—In the case of any taxable year beginning after December 31, 1996, restricted bank director stock (as defined in section 1361(f) of the Internal Revenue Code of 1986, as added by this section) shall not be taken into account in determining whether an S corporation has more than 1 class of stock.

SEC. 7533. SPECIAL RULE FOR BANK REQUIRED TO CHANGE FROM THE RESERVE METHOD OF ACCOUNTING ON BECOMING S CORPORATION.

(a) IN GENERAL.—Section 1361, as amended by this Act, is amended by adding at the end the following new subsection:

"(g) SPECIAL RULE FOR BANK REQUIRED TO CHANGE FROM THE RESERVE METHOD OF ACCOUNTING ON BECOMING S CORPORATION.—In the case of a bank which changes from the reserve method of accounting for bad debts described in section 585 or 593 for its first taxable year for which an election under section 1362(a) is in effect, the bank may elect to take into account any adjustments under section 481 by reason of such change for the taxable year immediately preceding such first taxable year.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 7534. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY.

(a) IN GENERAL.—Subparagraph (C) of section 1361(b)(3) (relating to treatment of terminations of qualified subchapter S subsidiary status) is amended—

(1) by striking "For purposes of this title," and inserting the following:

"(i) IN GENERAL.—For purposes of this title,", and

(2) by inserting at the end the following new clause:

"(ii) TERMINATION BY REASON OF SALE OF STOCK.—If the failure to meet the requirements of subparagraph (B) is by reason of the sale of stock of a corporation which is a qualified subchapter S subsidiary, the sale of such stock shall be treated as if—

"(I) the sale were a sale of an undivided interest in the assets of such corporation (based on the percentage of the corporation's stock sold), and

"(II) the sale were followed by an acquisition by such corporation of all of its assets (and the assumption by such corporation of all of its liabilities) in a transaction to which section 351 applies.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 7535. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS FOR CERTAIN CORPORATIONS.

In the case of a corporation which is—

(1) described in section 1311(a)(1) of the Small Business Job Protection Act of 1996, and

(2) not described in section 1311(a)(2) of such Act,

the amount of such corporation's accumulated earnings and profits (for the first taxable year beginning after the date of the enactment of this Act) shall be reduced by an amount equal to the portion (if any) of such accumulated earnings and profits which were accumulated in any taxable year beginning before January 1, 1983, for which such corporation was an electing small business corporation under subchapter S of the Internal Revenue Code of 1986.

SEC. 7536. DEDUCTIBILITY OF INTEREST EXPENSE ON INDEBTEDNESS INCURRED BY AN ELECTING SMALL BUSINESS TRUST TO ACQUIRE S CORPORATION STOCK.

(a) IN GENERAL.—Subparagraph (C) of section 641(c)(2) (relating to modifications) is amended by inserting after clause (iii) the following new clause:

"(iv) Any interest expense paid or accrued on indebtedness incurred to acquire stock in an S corporation.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

PART II—REVENUE PROVISIONS

SEC. 7541. INCREASE IN AGE OF MINOR CHILDREN WHOSE UNEARNED INCOME IS TAXED AS IF PARENT'S INCOME.

(a) IN GENERAL.—Subparagraph (A) of section 1(g)(2) (relating to child to whom subsection applies) is amended to read as follows:

"(A) such child—

"(i) has not attained age 18 before the close of the taxable year, or

"(ii)(I) has attained age 18 before the close of the taxable year and meets the age requirements of section 152(c)(3) (determined without regard to subparagraph (B) thereof), and

"(II) whose earned income (as defined in section 911(d)(2)) for such taxable year does not exceed one-half of the amount of the individual's support (within the meaning of section 152(c)(1)(D) after the application of section 152(f)(5) (without regard to subparagraph (A) thereof)) for such taxable year,".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 7542. SUSPENSION OF CERTAIN PENALTIES AND INTEREST.

(a) IN GENERAL.—Paragraphs (1)(A) and (3)(A) of section 6404(g) are each amended by striking "18-month period" and inserting "36-month period".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to notices provided by the Secretary of the Treasury, or

his delegate, after the date which is 6 months after the date of the enactment of this Act.

SEC. 7543. MODIFICATION OF COLLECTION DUE PROCESS PROCEDURES FOR EMPLOYMENT TAX LIABILITIES.

(a) IN GENERAL.—Section 6330(f) (relating to jeopardy and State refund collection) is amended—

(1) by striking "; or" at the end of paragraph (1) and inserting a comma,

(2) by adding "or" at the end of paragraph (2), and

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

"(3) the Secretary has served a disqualified employment tax levy,".

(b) DISQUALIFIED EMPLOYMENT TAX LEVY.—Section 6330 of such Code (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(h) DISQUALIFIED EMPLOYMENT TAX LEVY.—For purposes of subsection (f), a disqualified employment tax levy is any levy in connection with the collection of employment taxes for any taxable period if the person subject to the levy (or any predecessor thereof) requested a hearing under this section with respect to unpaid employment taxes arising in the most recent 2-year period before the beginning of the taxable period with respect to which the levy is served. For purposes of the preceding sentence, the term 'employment taxes' means any taxes under chapter 21, 22, 23, or 24.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to levies served on or after the date that is 120 days after the date of the enactment of this Act.

SEC. 7544. PERMANENT EXTENSION OF IRS USER FEES.

Section 7528 (relating to Internal Revenue Service user fees) is amended by striking subsection (c).

SEC. 7545. INCREASE IN PENALTY FOR BAD CHECKS AND MONEY ORDERS.

(a) IN GENERAL.—Section 6657 (relating to bad checks) is amended—

(1) by striking "$750" and inserting "$1,250", and

(2) by striking "$15" and inserting "$25".

(b) EFFECTIVE DATE.—The amendments made by this section apply to checks or money orders received after the date of the enactment of this Act.

SEC. 7546. UNDERSTATEMENT OF TAXPAYER LIABILITY BY RETURN PREPARERS.

(a) APPLICATION OF RETURN PREPARER PENALTIES TO ALL TAX RETURNS.—

(1) DEFINITION OF TAX RETURN PREPARER.—Paragraph (36) of section 7701(a) (relating to income tax preparer) is amended—

(A) by striking "income" each place it appears in the heading and the text, and

(B) in subparagraph (A), by striking "subtitle A" each place it appears and inserting "this title".

(2) CONFORMING AMENDMENTS.—

*(A)(i) Section 6060 is amended by striking "**INCOME TAX RETURN PREPARERS**" in the heading and inserting "**TAX RETURN PREPARERS**".*

(ii) Section 6060(a) is amended—

(I) by striking "an income tax return preparer" each place it appears and inserting "a tax return preparer",

(II) by striking "each income tax return preparer" and inserting "each tax return preparer", and

(III) by striking "another income tax return preparer" and inserting "another tax return preparer".

(iii) The item relating to section 6060 in the table of sections for subpart F of part III of subchapter A of chapter 61 is amended by striking "income tax return preparers" and inserting "tax return preparers".

*(iv) Subpart F of part III of subchapter A of chapter 61 is amended by striking "**Income Tax Return Preparers**" in the heading and inserting "**Tax Return Preparers**".*

(v) The item relating to subpart F in the table of subparts for part III of subchapter A of chapter 61 is amended by striking "income tax return preparers" and inserting "tax return preparers".

(B) Section 6103(k)(5) is amended—

(i) by striking "income tax return preparer" each place it appears and inserting "tax return preparer", and

(ii) by striking "income tax return preparers" each place it appears and inserting "tax return preparers".

(C)(i) Section 6107 is amended—

*(I) by striking "**INCOME TAX RETURN PREPARER**" in the heading and inserting "**TAX RETURN PREPARER**",*

(II) by striking "an income tax return preparer" each place it appears in subsections (a) and (b) and inserting "a tax return preparer",

(III) by striking "INCOME TAX RETURN PREPARER" in the heading for subsection (b) and inserting "TAX RETURN PREPARER", and

(IV) in subsection (c), by striking "income tax return preparers" and inserting "tax return preparers".

(ii) The item relating to section 6107 in the table of sections for subchapter B of chapter 61 is amended by striking "Income tax return preparer" and inserting "Tax return preparer".

(D) Section 6109(a)(4) is amended—

(i) by striking "an income tax return preparer" and inserting "a tax return preparer", and

(ii) by striking "INCOME RETURN PREPARER" in the heading and inserting "TAX RETURN PREPARER".

(E) Section 6503(k)(4) is amended by striking "Income tax return preparers" and inserting "Tax return preparers".

(F)(i) Section 6694 is amended—

*(I) by striking "**INCOME TAX RETURN PREPARER**" in the heading and inserting "**TAX RETURN PREPARER**",*

(II) by striking "an income tax return preparer" each place it appears and inserting "a tax return preparer",

(III) in subsection (c)(2), by striking "the income tax return preparer" and inserting "the tax return preparer",

(IV) in subsection (e), by striking "subtitle A" and inserting "this title", and

(V) in subsection (f), by striking "income tax return preparer" and inserting "tax return preparer".

(ii) The item relating to section 6694 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "income tax return preparer" and inserting "tax return preparer".

(G)(i) Section 6695 is amended—

*(I) by striking "**INCOME**" in the heading, and*

(II) by striking "an income tax return preparer" each place it appears and inserting "a tax return preparer".

(ii) Section 6695(f) is amended—

(I) by striking "subtitle A" and inserting "this title", and

(II) by striking "the income tax return preparer" and inserting "the tax return preparer".

(iii) The item relating to section 6695 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "income".

(H) Section 6696(e) is amended by striking "subtitle A" each place it appears and inserting "this title".

(I)(i) Section 7407 is amended—

*(I) by striking "**INCOME TAX RETURN PREPARERS**" in the heading and inserting "**TAX RETURN PREPARERS**",*

(II) by striking "an income tax return preparer" each place it appears and inserting "a tax return preparer",

(III) by striking "income tax preparer" both places it appears in subsection (a) and inserting "tax return preparer", and

(IV) by striking "income tax return" in subsection (a) and inserting "tax return".

(ii) The item relating to section 7407 in the table of sections for subchapter A of chapter 76 is amended by striking "income tax return preparers" and inserting "tax return preparers".

(J)(i) Section 7427 is amended—

*(I) by striking "**INCOME TAX RETURN PREPARERS**" in the heading and inserting "**TAX RETURN PREPARERS**", and*

(II) by striking "an income tax return preparer" and inserting "a tax return preparer".

(ii) The item relating to section 7427 in the table of sections for subchapter B of chapter 76 is amended to read as follows:

"Sec. 7427. Tax return preparers.".

(b) MODIFICATION OF PENALTY FOR UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY TAX RETURN PREPARER.—Subsections (a) and (b) of section 6694 are amended to read as follows:

"(a) UNDERSTATEMENT DUE TO UNREASONABLE POSITIONS.—

"(1) IN GENERAL.—Any tax return preparer who prepares any return or claim for refund with respect to which any part of an understatement of liability is due to a position described in paragraph (2) shall pay a penalty with respect to each such return or claim in an amount equal to the greater of—

"(A) $1,000, or

"(B) 50 percent of the income derived (or to be derived) by the tax return preparer with respect to the return or claim.

"(2) UNREASONABLE POSITION.—A position is described in this paragraph if—

"(A) the tax return preparer knew (or reasonably should have known) of the position,

"(B) there was not a reasonable belief that the position would more likely than not be sustained on its merits, and

"(C)(i) the position was not disclosed as provided in section 6662(d)(2)(B)(ii), or

"(ii) there was no reasonable basis for the position.

"(3) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this subsection if it is shown that there is reasonable cause for the understatement and the tax return preparer acted in good faith.

"(b) UNDERSTATEMENT DUE TO WILLFUL OR RECKLESS CONDUCT.—

"(1) IN GENERAL.—Any tax return preparer who prepares any return or claim for refund with respect to which any part of an understatement of liability is due to a conduct described in paragraph (2) shall pay a penalty with respect to each such return or claim in an amount equal to the greater of—

"(A) $5,000, or

"(B) 50 percent of the income derived (or to be derived) by the tax return preparer with respect to the return or claim.

"(2) WILLFUL OR RECKLESS CONDUCT.—Conduct described in this paragraph is conduct by the tax return preparer which is—

"(A) a willful attempt in any manner to understate the liability for tax on the return or claim, or

"(B) a reckless or intentional disregard of rules or regulations.

"(3) REDUCTION IN PENALTY.—The amount of any penalty payable by any person by reason of this subsection for any return or claim for refund shall be reduced by the amount of the penalty paid by such person by reason of subsection (a).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns prepared after the date of the enactment of this Act.

SEC. 7547. PENALTY FOR FILING ERRONEOUS REFUND CLAIMS.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6675 the following new section:

"SEC. 6676. ERRONEOUS CLAIM FOR REFUND OR CREDIT.

"(a) CIVIL PENALTY.—If a claim for refund or credit with respect to income tax (other than a claim for a refund or credit relating to the earned income credit under section 32) is made for an excessive amount, unless it is shown that the claim for such excessive amount has a reasonable basis, the person making such claim shall be liable for a penalty in an amount equal to 20 percent of the excessive amount.

"(b) EXCESSIVE AMOUNT.—For purposes of this section, the term 'excessive amount' means in the case of any person the amount by which the amount of the claim for refund or credit for any taxable year exceeds the amount of such claim allowable under this title for such taxable year.

"(c) COORDINATION WITH OTHER PENALTIES.—This section shall not apply to any portion of the excessive amount of a claim for refund or credit which is subject to a penalty imposed under part II of subchapter A of chapter 68.".

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6675 the following new item:

"Sec. 6676. Erroneous claim for refund or credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim filed or submitted after the date of the enactment of this Act.

SEC. 7548. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking "106.25 percent" and inserting "114.25 percent".

This Act may be cited as the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007".

And the Senate agree to the same.

DAVID R. OBEY,
ROSA L. DELAURO,
JOHN P. MURTHA,
PETER J. VISCLOSKY,
NITA LOWEY,
CAROLYN KILPATRICK,
NORMAN D. DICKS,
CHET EDWARDS,
ALAN B. MOLLOHAN,
JOHN OLVER,
JOSÉ E. SERRANO,
DEBBIE WASSERMAN SCHULTZ,
JAMES E. CLYBURN,
Managers on the Part of the House.

ROBERT C. BYRD,
DANIEL K. INOUYE,
PATRICK J. LEAHY,
TOM HARKIN,
BARBARA A. MIKULSKI,
HERB KOHL,
PATTY MURRAY,
BYRON L. DORGAN,

DIANNE FEINSTEIN,
RICHARD J. DURBIN,
TIM JOHNSON,
MARY L. LANDRIEU,
JACK REED,
FRANK R. LAUTENBERG,
BEN NELSON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1591) making emergency supplemental appropriations for the fiscal year ending September 30, 2007, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Report language included by the House in the report accompanying H.R. 1591 (H. Rept. 110–60) and included by the Senate in the report accompanying S. 965 (S. Rept. 110–37) should be complied with unless specifically addressed in this statement of the managers. The statement of the managers, while repeating some report language for emphasis, is not intended to negate the language referred to above unless expressly provided herein.

The conference agreement designates amounts in title I as emergency requirements pursuant to section 402 of H. Con. Res. 95 (109th Congress) and as making appropriations for contingency operations directly related to the global war on terrorism and other unanticipated defense-related operations pursuant to section 402 of H. Con. Res. 376 (109th Congress). Further, the agreement designates amounts in titles II, III, V, and VI as emergency requirements pursuant to section 402 of H. Con. Res. 95 (109th Congress) and pursuant to section 501 of H. Con. Res. 376 (109th Congress). The House proposed designations under H. Con. Res. 376 on an item-by-item basis, while the Senate included designations under H. Con. Res. 95 title-by-title.

TITLE I—SUPPLEMENTAL APPROPRIATIONS FOR THE GLOBAL WAR ON TERROR

CHAPTER 1—DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

The conference agreement provides $460,000,000, to be available until expended, for Public Law 480 Title II grants, instead of $450,000,000 as proposed by the House and $475,000,000 as proposed by the Senate.

The Farm Security and Rural Investment Act of 2002 required the establishment of a micronutrient fortification program relating to the utilization of foods for humanitarian assistance programs such as title II of Public Law 480. The conferees encourage the Secretary of Agriculture to move forward with such a program. The

conferees direct that any such funds used for this purpose during fiscal year 2007 should be used for internal federal agency operations to develop a framework for this program and not be used for the purpose of executing any grant, contract, or cooperative agreement with a non-federal entity.

GENERAL PROVISION—THIS CHAPTER

SEC. 1101. The conference agreement provides $40,000,000, instead of $82,000,000 as proposed by the Senate, for replenishment of the Bill Emerson Humanitarian Trust.

The conferees direct the Secretary to provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on the available cash, amount of commodity by type, and detail of disbursements made during that quarterly period.

CHAPTER 2—DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The conference agreement includes $1,648,000 for General Legal Activities for the Criminal Division as proposed by the House, instead of $4,093,000 as proposed by the Senate and requested by the President. The funds are provided for litigation support services to the Special Inspector General for Iraqi Reconstruction for ongoing investigations and cases involving corruption in the reconstruction of Iraq. The conference agreement does not include $2,445,000 as requested by the President and as proposed by the Senate to create Iraq and Afghanistan Support Units within General Legal Activities, Criminal Division. While the conferees support these activities, they can be provided for with funds available to the Secretary of State.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The conference agreement includes $5,000,000 for the United States Attorneys as proposed by the House and requested by the President, instead of $12,500,000 as proposed by the Senate. The funds are provided for extraordinary litigation expenses associated with terrorism prosecutions.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

The conference agreement includes $6,450,000 for the United States Marshals Service, instead of $2,750,000 as proposed by the House and $32,500,000 as proposed by the Senate. The funds are provided for security at high-threat terrorist trials in the United States and to support judicial and witness security in Afghanistan.

The conference agreement does not include a rescission of $15,000,000 from funds made available in this Act for Department of State Educational and Cultural Exchange Programs, as proposed by the Senate.

The conferees are aware of substandard conditions in space occupied by U.S. Marshals Service employees in the Moultrie Courthouse Building in the District of Columbia. The Senate bill included funds within chapter 2 of title I for the U.S. Marshals to address some of the problems, but the conference agreement does not include these funds. The conferees direct the U.S. Marshals and the District of Columbia Courts to work together in a coordinated manner to develop a renovation and improvement plan that addresses these issues. The conferees believe that the Committees on Appropriations should consider progress in these plans when developing the fiscal year 2008 appropriations bills.

The conferees also direct that the Inspector General of the Department of Justice shall conduct a review of the health, safety, and security conditions in the Moultrie Courthouse Building space occupied by the U.S. Marshals. Not later than 90 days after the date of the enactment of this Act, the Inspector General of the Department of Justice shall submit to the Committees on Appropriations a written report that contains the findings of the review and includes recommendations, as may be appropriate.

NATIONAL SECURITY DIVISION

SALARIES AND EXPENSES

The conference agreement includes $1,736,000 for the National Security Division for investigations and prosecutions as proposed by the House and Senate.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

The conference agreement includes $268,000,000 for the Federal Bureau of Investigation (FBI) instead of $118,260,000 as proposed by the House and as requested by the President and $348,260,000 as proposed by the Senate. Funding is provided for counterterrorism and weapons of mass destruction operations and support requirements.

The conferees concur with the language in the Senate report regarding the March 2007 report by the Office of Inspector General (OIG) regarding the FBI's use of national security letters. The conferees are extremely concerned by the OIG report and the failings of the FBI to correct the actions earlier in the investigation. The conference agreement includes $10,000,000 as proposed by the Senate to ensure that the Inspector General's recommendations are implemented by the FBI in an expeditious manner. The conference agreement includes bill language transferring $500,000 to the OIG from the FBI for continued audits and investigations related to national security letters.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $12,166,000 for the Drug Enforcement Administration (DEA) instead of $8,468,000 as proposed by the House and as requested by the President and

$25,100,000 as proposed by the Senate. The funds provided above the amount requested by the President are provided to hire additional DEA special agents and support personnel related to the Global War on Terror. The conferees concur with language in the House report directing the DEA Administrator to submit a report on a plan to target and arrest Afghan Drug Kingpins.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

The conference agreement includes $4,000,000 for the Bureau of Alcohol, Tobacco, Firearms and Explosives, as proposed by the House and the Senate and as requested by the President.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The conference agreement includes $17,000,000 for the Federal Prison System, as proposed by the House and the Senate and as requested by the President.

CHAPTER 3

DEPARTMENT OF DEFENSE—MILITARY

The conference agreement provides $95,528,670,000 for the Department of Defense, instead of $95,529,712,000, as proposed by the House, and $93,532,793,000, as proposed by the Senate.

The following table provides details of the supplemental appropriations for the Department of Defense—Military.

	(In thousands of dollars) House	Senate	Conference
CHAPTER 3			
DEPARTMENT OF DEFENSE - MILITARY			
Military Personnel			
Military Personnel, Army (emergency)	8,878,899	8,870,270	8,853,350
Military Personnel, Navy (emergency)	1,100,410	1,100,410	1,100,410
Military Personnel, Marine Corps (emergency)	1,495,828	1,495,827	1,495,827
Military Personnel, Air Force (emergency)	1,229,334	1,218,587	1,218,587
Reserve Personnel, Army (emergency)	173,244	147,244	147,244
Reserve Personnel, Navy (emergency)	82,800	77,523	86,023
Reserve Personnel, Marine Corps (emergency)	15,000	---	5,660
Reserve Personnel, Air Force (emergency)	14,100	9,073	11,573
National Guard Personnel, Army (emergency)	552,725	474,978	545,286
National Guard Personnel, Air Force (emergency)	24,600	41,533	44,033
Subtotal	13,566,940	13,435,445	13,507,993
Operation and Maintenance			
Operation and Maintenance, Army (emergency)	20,897,672	20,373,379	20,373,379
Operation and Maintenance, Navy (emergency)	5,115,397	4,865,003	4,676,670
(Transfer to Coast Guard) (emergency)	(-120,293)	(-120,293)	(-120,293)
Operation and Maintenance, Marine Corps (emergency)	1,503,694	1,101,594	1,146,594
Operation and Maintenance, Air Force (emergency)	6,909,259	6,685,881	6,650,881
Operation and Maintenance, Defense-Wide (emergency)	2,855,993	2,790,669	2,714,487
Operation and Maintenance, Army Reserve (emergency)	74,049	74,049	74,049
Operation and Maintenance, Navy Reserve (emergency)	111,066	111,066	111,066
Operation and Maintenance, Marine Corps Reserve (emergency)	13,591	13,591	13,591
Operation and Maintenance, Air Force Reserve (emergency)	10,160	10,160	10,160
Operation and Maintenance, Army National Guard (emergency)	133,569	83,569	83,569
Operation and Maintenance, Air National Guard (emergency)	38,429	38,429	38,429
Afghanistan Security Forces Fund (emergency)	5,906,400	5,906,400	5,906,400
Iraq Security Forces Fund (emergency)	3,842,300	3,842,300	3,842,300
Iraq Freedom Fund (emergency)	155,600	455,600	355,600
Joint Improvised Explosive Device Defeat Fund (emergency)	2,432,800	2,432,800	2,432,800
Strategic Reserve Readiness Fund (emergency)	2,500,000	---	2,000,000
Subtotal	52,499,979	48,784,490	50,429,975
Procurement			
Aircraft Procurement, Army (emergency)	461,850	619,750	619,750
Missile Procurement, Army (emergency)	160,173	111,473	111,473
Procurement of Weapons and Tracked Combat Vehicles, Army (emergency)	3,474,389	3,400,315	3,404,315
Procurement of Ammunition, Army (emergency)	681,500	681,500	681,500
Other Procurement, Army (emergency)	10,197,399	10,589,272	11,076,137
Aircraft Procurement, Navy (emergency)	995,797	963,903	1,090,287
Weapons Procurement, Navy (emergency)	171,813	163,813	163,813
Procurement of Ammunition, Navy and Marine Corps (emergency)	159,833	159,833	159,833
Other Procurement, Navy (emergency)	937,407	722,506	748,749
Procurement, Marine Corps (emergency)	1,885,383	1,703,389	2,252,749
Aircraft Procurement, Air Force (emergency)	2,474,916	1,431,756	2,106,468
Missile Procurement, Air Force (emergency)	140,300	78,900	94,900
Procurement of Ammunition, Air Force (emergency)	95,800	6,000	6,000
Other Procurement, Air Force (emergency)	2,042,183	1,972,131	2,096,200
Procurement, Defense-Wide (emergency)	934,930	903,092	980,050
National Guard and Reserve Equipment (emergency)	---	1,000,000	---
Subtotal	24,813,673	24,507,633	25,592,224

	(In thousands of dollars) House	Senate	Conference
Research, Development, Test and Evaluation			
Research, Development, Test and Evaluation, Army (emergency)	60,781	125,576	100,006
Research, Development, Test and Evaluation, Navy (emergency)	295,737	308,212	298,722
Research, Development, Test and Evaluation, Air Force (emergency)	132,928	233,869	187,176
Research, Development, Test and Evaluation, Defense-wide (emergency)	545,904	522,804	512,804
Subtotal	1,035,350	1,190,461	1,098,708
Revolving And Management Funds			
Defense Working Capital Funds (emergency)	1,315,526	1,315,526	1,315,526
National Defense Sealift Fund (emergency)	5,000	5,000	5,000
Subtotal	1,320,526	1,320,526	1,320,526
Other Department of Defense Programs			
Defense Health Program (emergency)	2,789,703	2,466,847	3,251,853
Operation and maintenance (emergency)	(2,289,703)	(2,277,147)	(2,802,153)
Procurement (emergency)	---	(118,000)	(118,000)
Research, development, test and evaluation (emergency)	(500,000)	(71,700)	(331,700)
Medical support fund (emergency)	---	---	---
Drug Interdiction and Counter-Drug Activities, Defense (emergency)	259,115	254,665	254,665
Subtotal	3,048,818	2,721,512	3,506,518
Related Agencies			
Intelligence Community Management Account (emergency)	57,426	71,726	71,726
General Provisions			
Sec. 1302. New transfer authority (emergency)	(3,500,000)	(3,500,000)	(3,500,000)
Sec. xxxx. Additional transfer authority (emergency)	---	---	---
Sec. 1305. Defense Cooperative Account transfer authority (emergency)	1,000	1,000	1,000
Sec. xxxx. Procurement, Marine Corps MRAP (emergency)	---	1,500,000	---
Sec. xxxx. Contractor efficiency savings (emergency)	-815,000	---	---
Sec. xxxx. Army IG disability claims recommendations	1,000	---	---
Sec. 1322. Military Construction, Army (by transfer) (emergency)	---	---	(-6,250)
Sec. 1323. Economic Support Fund (Department of State) (by transfer) (emergency)	(-100,000)	---	(-110,000)
Total, Chapter 3	95,529,712	93,532,793	95,528,670

REPORTING REQUIREMENTS

The conferees direct the Secretary of Defense to provide a report to the congressional defense committees within 30 days after the date of enactment of this legislation on the allocation of the funds within the accounts listed in this chapter. The Secretary shall submit updated reports 30 days after the end of each fiscal quarter until funds listed in this chapter are no longer available for obligation. The conferees direct that these reports shall include: a detailed accounting of obligations and expenditures of appropriations provided in this chapter by program and sub activity group for the continuation of the war in Iraq and Afghanistan; a listing of equipment procured using funds provided in this chapter. The

conferees expect that in order to meet unanticipated requirements, the Department of Defense may need to transfer funds within these appropriations accounts for purposes other than those specified in this report. The conferees direct the Department of Defense to follow normal prior approval reprogramming procedures should it be necessary to transfer funding between different appropriations accounts in this chapter.

MINE RESISTANT AMBUSH PROTECTED VEHICLES (MRAPS)

The amended supplemental budget request includes $1,832,300,000 for Mine Resistant Ambush Protected (MRAPs) Vehicles. These vehicles provide superior protection to our troops from Improvised Explosive Devices (IEDs). Recognizing the survivability enhancements brought to our warfighters by MRAPs, Congress previously appropriated $592,000,000 for MRAPs in fiscal year 2007. Since IEDs continue to be the biggest threat to our troops in theater, the conferees believe it is imperative that these critical force protection items be provided to the warfighter as quickly as possible. Therefore, based on the most current information provided by the military services, the conferees provide $1,200,000,000 above the request for a total of $3,032,300,000 for MRAPs in the conference agreement. Further, the conferees designate MRAPs as a congressional interest item. The table below delineates MRAP funding in the conference agreement by appropriations account.

Given this program's critical importance, the conferees expect funds to be placed on contract expeditiously and direct the military services to jointly report to the congressional defense committees no later than 30 days after the enactment of this Act on the MRAP program's status, requirements, and the execution of funds provided in the conference agreement. Further, the conferees direct the services to provide updates to the congressional defense committees every 30 days thereafter until all funds provided in the conference agreement are fully obligated.

FY 2007 SUPPLEMENTAL MRAP FUNDING

[In thousands of dollars]

	Supplemental Request	Conference	Conference vs. Request
Operation and Maintenance, Navy	24,000	24,000	.....
Other Procurement Army, line 129	770,000	1,217,000	+447,000
Other Procurement, Navy, line 124	122,000	130,040	+8,040
Procurement, Marine Corps, line 70	678,000	1,263,360	+585,360
Other Procurement, Air Force, line 8 (Air Force)	15,200	139,040	+123,840
Procurement, Defense-wide, line 59 (SOCOM)	73,100	108,860	+35,760
Procurement, Defense-wide, line 61 (SOCOM)	150,000	150,000	.....
Total, MRAPs	1,832,300	3,032,300	+1,200,000

CLASSIFIED PROGRAMS

Recommended adjustments to classified programs are addressed in a classified annex accompanying this conference report.

MILITARY PERSONNEL

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
RECAPITULATION			
MILITARY PERSONNEL, ARMY	8,878,899	8,870,270	8,853,350
MILITARY PERSONNEL, NAVY	1,100,410	1,100,410	1,100,410
MILITARY PERSONNEL, MARINE CORPS	1,495,828	1,495,827	1,495,827
MILITARY PERSONNEL, AIR FORCE	1,229,334	1,218,587	1,218,587
RESERVE PERSONNEL, ARMY	173,244	147,244	147,244
RESERVE PERSONNEL, NAVY	82,800	77,523	86,023
RESERVE PERSONNEL, MARINE CORPS	15,000	---	5,660
RESERVE PERSONNEL, AIR FORCE	14,100	9,073	11,573
NATIONAL GUARD PERSONNEL, ARMY	552,725	474,978	545,286
NATIONAL GUARD PERSONNEL, AIR FORCE	24,600	41,533	44,033
GRAND TOTAL, MILITARY PERSONNEL	13,566,940	13,435,445	13,507,993

The conference agreement provides $13,507,993,000 for Military Personnel, instead of $ 13,566,940,000 as proposed by the House, and $13,435,445,000 as proposed by the Senate. The conferees provide $1,148,369,000 above the President's request to fully fund all identified shortfalls for Basic Allowance for Housing for the remainder of fiscal year 2007.

The conferees are encouraged by the recent success of the Armed Forces to meet or exceed their established recruiting and retention goals and urge the Services to continue pursuing innovative and cost-effective programs to attract and retain high-quality personnel. However, recruiting and retaining challenges still exist, particularly within highly specialized occupational disciplines.

For this reason, the conference agreement fully funds the supplemental request for recruiting and retention incentives and provides an additional $10,000,000 to specific reserve components that identified recruitment and retention shortfalls.

MILITARY PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
50 MILITARY PERSONNEL, ARMY			
100 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
150 BASIC PAY	479,185	493,534	493,534
200 RETIRED PAY ACCRUAL	166,037	169,837	169,837
250 BASIC ALLOWANCE FOR HOUSING	476,045	487,919	411,479
300 BASIC ALLOWANCE FOR SUBSISTENCE	15,552	16,060	16,060
350 SPECIAL PAYS	404,368	415,457	415,457
400 SOCIAL SECURITY TAX	34,931	36,012	36,012
450 TOTAL, BUDGET ACTIVITY 1	1,576,118	1,618,819	1,542,379
500 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
550 BASIC PAY	1,297,546	1,323,548	1,323,548
600 RETIRED PAY ACCRUAL	459,397	466,287	466,287
650 BASIC ALLOWANCE FOR HOUSING	1,560,492	1,350,445	1,409,965
700 SPECIAL PAYS	1,860,843	1,896,707	1,896,707
750 SOCIAL SECURITY TAX	99,068	101,057	101,057
800 TOTAL, BUDGET ACTIVITY 2	5,277,346	5,138,044	5,197,564
850 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
900 BASIC ALLOWANCE FOR SUBSISTENCE	152,830	155,782	155,782
950 SUBSISTENCE-IN-KIND	1,131,175	1,216,195	1,216,195
1000 TOTAL, BUDGET ACTIVITY 4	1,284,005	1,371,977	1,371,977
1050 ACTIVITY 5: PERMANENT CHANGE OF STATION			
1100 ACCESSION TRAVEL	19,679	19,679	19,679
1150 OPERATIONAL TRAVEL	182,113	182,113	182,113
1200 ROTATIONAL TRAVEL	218,906	218,906	218,906
1250 TOTAL, BUDGET ACTIVITY 5	420,698	420,698	420,698
1300 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
1350 INTEREST ON SOLDIERS DEPOSITS	21,779	21,779	21,779
1400 RESERVE INCOME REPLACEMENT PROGRAM	8,208	8,208	8,208
1450 UNEMPLOYMENT BENEFITS	144,489	144,489	144,489
1500 DEATH GRATUITIES	95,056	95,056	95,056
1550 SGLI/TSGLI INSURANCE PREMIUM	51,200	51,200	51,200
1700 TOTAL, BUDGET ACTIVITY 6	320,732	320,732	320,732
1750 TOTAL, MILITARY PERSONNEL, ARMY	8,878,899	8,870,270	8,853,350

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
MILITARY PERSONNEL, ARMY				
BA-1: PAY AND ALLOWANCES OF OFFICERS				
Basic Allowance for Housing	379,919	476,045	487,919	411,479
BA-2: PAY AND ALLOWANCES OF ENLISTED				
Basic Allowance for Housing	1,098,445	1,560,492	1,350,445	1,409,965

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

ARMY PHYSICAL DISABILITY SYSTEM

The conferees direct the Secretary of the Army to take the necessary actions to implement the recommendations of the Army Inspector General to improve legal representation for soldiers pursuing claims through the Army Physical Disability Evaluation System.

MILITARY PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
1800 MILITARY PERSONNEL, NAVY			
1850 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
1900 BASIC PAY	78,148	78,148	78,148
1950 RETIRED PAY ACCRUAL	20,681	20,681	20,681
2000 BASIC ALLOWANCE FOR HOUSING	121,604	20,374	20,374
2050 BASIC ALLOWANCE FOR SUBSISTENCE	2,233	2,233	2,233
2100 SPECIAL PAYS	43,929	43,929	43,929
2150 SOCIAL SECURITY TAX	5,966	5,966	5,966
2200 TOTAL, BUDGET ACTIVITY 1	272,561	171,331	171,331
2250 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
2300 BASIC PAY	145,279	145,279	145,279
2350 RETIRED PAY ACCRUAL	38,494	38,494	38,494
2400 BASIC ALLOWANCE FOR HOUSING	369,944	471,174	471,174
2450 SPECIAL PAYS	152,440	152,440	152,440
2500 SOCIAL SECURITY TAX	11,110	11,110	11,110
2550 TOTAL, BUDGET ACTIVITY 2	717,267	818,497	818,497
2600 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
2650 BASIC ALLOWANCE FOR SUBSISTENCE	14,103	14,103	14,103
2700 SUBSISTENCE-IN-KIND	13,149	13,149	13,149
2750 TOTAL, BUDGET ACTIVITY 4	27,252	27,252	27,252
2800 ACTIVITY 5: PERMANENT CHANGE OF STATION			
2850 ACCESSION TRAVEL	7,911	7,911	7,911
2950 OPERATIONAL TRAVEL	15,936	15,936	15,936
3000 ROTATIONAL TRAVEL	4,437	4,437	4,437
3050 SEPARATION TRAVEL	6,216	6,216	6,216
3150 TOTAL, BUDGET ACTIVITY 5	34,500	34,500	34,500
3200 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
3300 RESERVE INCOME REPLACEMENT PROGRAM	3,000	3,000	3,000
3350 UNEMPLOYMENT BENEFITS	28,200	28,200	28,200
3400 DEATH GRATUITIES	11,001	11,001	11,001
3450 SGLI/TSGLI INSURANCE PREMIUM	6,629	6,629	6,629
3600 TOTAL, BUDGET ACTIVITY 6	48,830	48,830	48,830
3650 TOTAL, MILITARY PERSONNEL, NAVY	1,100,410	1,100,410	1,100,410

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
MILITARY PERSONNEL, NAVY:				
BA-1: PAY AND ALLOWANCES OF OFFICERS				
Basic Allowance for Housing	20,374	121,604	20,374	20,374
BA-2: PAY AND ALLOWANCES OF ENLISTED				
Basic Allowance for Housing	62,891	369,944	471,174	471,174

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

MILITARY PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3700 MILITARY PERSONNEL, MARINE CORPS			
3750 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
3800 BASIC PAY	185,119	185,119	185,119
3850 RETIRED PAY ACCRUAL	49,056	49,056	49,056
3900 BASIC ALLOWANCE FOR HOUSING	89,649	89,649	63,537
3950 BASIC ALLOWANCE FOR SUBSISTENCE	5,839	5,839	5,839
4000 SPECIAL PAYS	27,331	27,331	27,331
4050 SOCIAL SECURITY TAX	14,162	14,162	14,162
4100 TOTAL, BUDGET ACTIVITY 1	371,156	371,156	345,044
4150 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
4200 BASIC PAY	241,654	241,654	241,654
4250 RETIRED PAY ACCRUAL	64,039	64,039	64,039
4300 BASIC ALLOWANCE FOR HOUSING	215,803	215,803	241,915
4350 SPECIAL PAYS	438,169	438,168	438,168
4400 SOCIAL SECURITY TAX	18,487	18,487	18,487
4450 TOTAL, BUDGET ACTIVITY 2	978,152	978,151	1,004,263
4500 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
4550 BASIC ALLOWANCE FOR SUBSISTENCE	38,624	38,624	38,624
4650 TOTAL, BUDGET ACTIVITY 4	38,624	38,624	38,624
4700 ACTIVITY 5: PERMANENT CHANGE OF STATION			
4750 ACCESSION TRAVEL	4,131	4,131	4,131
4850 OPERATIONAL TRAVEL	43,038	43,038	43,038
5050 TOTAL, BUDGET ACTIVITY 5	47,169	47,169	47,169
5100 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
5250 UNEMPLOYMENT BENEFITS	20,500	20,500	20,500
5300 DEATH GRATUITIES	31,121	31,121	31,121
5350 SGLI/TSGLI INSURANCE PREMIUM	9,106	9,106	9,106
5500 TOTAL, BUDGET ACTIVITY 6	60,727	60,727	60,727
5550 TOTAL, MILITARY PERSONNEL, MARINE CORPS	1,495,828	1,495,827	1,495,827

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
MILITARY PERSONNEL, MARINE CORPS:				
BA-1: PAY AND ALLOWANCES OF OFFICERS				
Basic Allowance for Housing	63,337	89,649	89,649	63,537
BA-2: PAY AND ALLOWANCES OF ENLISTED				
Basic Allowance for Housing	133,159	215,803	215,803	241,915

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

MILITARY PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
5600 MILITARY PERSONNEL, AIR FORCE			
5650 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
5700 BASIC PAY	142,957	143,092	143,092
5750 RETIRED PAY ACCRUAL	40,146	40,182	40,182
5800 BASIC ALLOWANCE FOR HOUSING	87,597	91,989	91,989
5850 BASIC ALLOWANCE FOR SUBSISTENCE	5,152	5,156	5,156
5900 SPECIAL PAYS	6,642	6,721	6,721
5950 ALLOWANCES	4,608	4,650	4,650
6000 SOCIAL SECURITY TAX	11,589	11,599	11,599
6050 TOTAL, BUDGET ACTIVITY 1	298,691	303,389	303,389
6100 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
6150 BASIC PAY	348,598	348,642	348,642
6200 RETIRED PAY ACCRUAL	99,297	99,309	99,309
6250 BASIC ALLOWANCE FOR HOUSING	252,808	259,124	259,124
6300 SPECIAL PAYS	44,777	44,859	44,859
6350 ALLOWANCES	16,586	16,623	16,623
6400 SOCIAL SECURITY TAX	28,665	28,668	28,668
6450 TOTAL, BUDGET ACTIVITY 2	790,731	797,225	797,225
6500 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
6550 BASIC ALLOWANCE FOR SUBSISTENCE	34,421	34,424	34,424
6600 SUBSISTENCE-IN-KIND	66,790	66,848	66,848
6650 TOTAL, BUDGET ACTIVITY 4	101,211	101,272	101,272
6700 ACTIVITY 5: PERMANENT CHANGE OF STATION			
6850 OPERATIONAL TRAVEL	5,500	5,500	5,500
7050 TOTAL, BUDGET ACTIVITY 5	5,500	5,500	5,500
7100 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
7250 UNEMPLOYMENT BENEFITS	16,200	16,200	16,200
7300 DEATH GRATUITIES	8,453	8,453	8,453
7350 SGLI/TSGLI INSURANCE PREMIUM	8,548	8,548	8,548
7500 TOTAL, BUDGET ACTIVITY 6	33,201	33,201	33,201
7510 ADJUSTMENT TO PAY AND ALLOWANCES	---	-22,000	-22,000
7550 TOTAL, MILITARY PERSONNEL, AIR FORCE	1,229,334	1,218,587	1,218,587

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
MILITARY PERSONNEL, AIR FORCE:				
BA-1: PAY AND ALLOWANCES OF OFFICERS				
Basic Allowance for Housing	54,189	87,597	91,989	91,989
BA-2: PAY AND ALLOWANCES OF ENLISTED				
Basic Allowance for Housing	157,624	252,808	259,124	259,124
Adjustment to Pay and Allowances - Transfer to National Guard Personnel, Air Force			-22,000	-22,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESERVE PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
7600 RESERVE PERSONNEL, ARMY			
7650 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
7660 SPECIAL TRAINING (PRE/POST MOB TRAINING).....	1,103	1,103	1,103
7700 SPECIAL TRAINING (PRE/POST MOB TRAINING)(BAH).....	32,397	6,397	6,397
7750 RECRUITING AND RETENTION	139,744	139,744	139,744
7900 TOTAL RESERVE PERSONNEL, ARMY.....	173,244	147,244	147,244

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
RESERVE PERSONNEL, ARMY				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)	6,397	32,397	6,397	6,397

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESERVE PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
7950 RESERVE PERSONNEL, NAVY			
8000 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
8050 UNIT TRAINING	35,000	35,000	35,000
8060 SPECIAL TRAINING (PRE/POST MOB TRAINING)	22,689	22,689	22,689
8100 SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH)	7,111	6,834	10,334
8110 SCHOOL TRAINING (PRE/POST MOB TRAINING)	11,960	11,960	11,960
8150 SCHOOL TRAINING (PRE/POST MOB TRAINING)(BAH)	1,040	1,040	1,040
8160 RECRUITING AND RETENTION	5,000	---	5,000
8200 TOTAL, RESERVE PERSONNEL, NAVY	82,800	77,523	86,023

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
RESERVE PERSONNEL, NAVY:				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)	2,111	7,111	6,834	10,334
Recruitment and Retention		5,000		5,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESERVE PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
8250 RESERVE PERSONNEL, MARINE CORPS			
8300 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
8340 SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH).....	10,000	---	5,660
8360 RECRUITING AND RETENTION	5,000	---	---
8400 TOTAL, RESERVE PERSONNEL, MARINE CORPS.....	15,000	---	5,660

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
RESERVE PERSONNEL, MARINE CORPS:				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)		10,000		5,660
Recruitment and Retention		5,000		0

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESERVE PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
8450 RESERVE PERSONNEL, AIR FORCE			
8500 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
8550 SPECIAL TRAINING (PRE/POST MOB TRAINING)	3,000	3,000	3,000
8555 SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH).....	6,100	6,073	6,073
8560 RECRUITING AND RETENTION	5,000	---	2,500
8600 TOTAL, RESERVE PERSONNEL, AIR FORCE.....	14,100	9,073	11,573

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
RESERVE PERSONNEL, AIR FORCE:				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)		6,100	6,073	6,073
Recruitment and Retention		5,000		2,500

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

NATIONAL GUARD PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
8650 NATIONAL GUARD PERSONNEL, ARMY			
8700 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
8800 SPECIAL TRAINING (PRE/POST MOB TRAINING)	24,666	24,666	24,666
8810 SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH).....	120,032	42,285	112,593
8850 SCHOOL TRAINING (PRE/POST MOB TRAINING).....	15,475	15,475	15,475
8860 SCHOOL TRAINING (PRE/POST MOB TRAINING) (BAH).....	7,766	7,766	7,766
8900 RECRUITING AND RETENTION	339,600	339,600	339,600
8910 RECRUITING AND RETENTION (BAH).....	40,786	40,786	40,786
8950 DISABILITY AND DEATH GRATUITY.....	4,400	4,400	4,400
9000 TOTAL, NATIONAL GUARD PERSONNEL, ARMY.....	552,725	474,978	545,286

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
NATIONAL GUARD PERSONNEL, ARMY:				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)	3,332	120,032	42,285	112,593

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

NATIONAL GUARD PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
9010 NATIONAL GUARD PERSONNEL, AIR FORCE			
9015 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
9020 SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH).....	19,600	19,533	19,533
9035 RECRUITING AND RETENTION	5,000	---	2,500
9037 ADJUSTMENT TO PAY AND ALLOWANCES.....	---	22,000	22,000
9040 TOTAL, NATIONAL GUARD PERSONNEL, AIR FORCE.....	24,600	41,533	44,033

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request [1/]	House [2/]	Senate	Conference
NATIONAL GUARD PERSONNEL, AIR FORCE:				
BA-1: RESERVE COMPONENT TRAINING & SUPPORT				
Special Training (PRE/POST MOB Training) (BAH)		19,600	19,533	19,533
Recruitment and Retention		5,000		2,500
Adjustments to Pay and Allowances - Transfer from Military Personnel, Air Force			22,000	22,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

OPERATION AND MAINTENANCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
RECAPITULATION			
OPERATION AND MAINTENANCE, ARMY	20,897,672	20,373,379	20,373,379
OPERATION AND MAINTENANCE, NAVY	5,115,397	4,865,003	4,676,670
OPERATION AND MAINTENANCE, MARINE CORPS	1,503,694	1,101,594	1,146,594
OPERATION AND MAINTENANCE, AIR FORCE	6,909,259	6,685,881	6,650,881
OPERATION AND MAINTENANCE, DEFENSE-WIDE	2,855,993	2,790,669	2,714,487
OPERATION AND MAINTENANCE, ARMY RESERVE	74,049	74,049	74,049
OPERATION AND MAINTENANCE, NAVY RESERVE	111,066	111,066	111,066
OPERATION AND MAINTENANCE, MARINE CORPS RESERVE	13,591	13,591	13,591
OPERATION AND MAINTENANCE, AIR FORCE RESERVE	10,160	10,160	10,160
OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD	133,569	83,569	83,569
OPERATION AND MAINTENANCE, AIR NATIONAL GUARD	38,429	38,429	38,429
AFGHANISTAN SECURITY FORCES FUND	5,906,400	5,906,400	5,906,400
IRAQ SECURITY FORCES FUND	3,842,300	3,842,300	3,842,300
IRAQ FREEDOM FUND	155,600	455,600	355,600
JOINT IED DEFEAT FUND	2,432,800	2,432,800	2,432,800
STRATEGIC RESERVE READINESS FUND	2,500,000	---	2,000,000
GRAND TOTAL, OPERATION AND MAINTENANCE	52,499,979	48,784,490	50,429,975

The conference agreement provides $50,429,975,000 for Operation and Maintenance, instead of $52,499,979,000 as proposed by the House, and $48,784,490,000 as proposed by the Senate. The conferees provide a net increase of $171,368,000 above the President's request. The level of funding agreed to by the conferees fully funds critical ground combat operations, flying hours, military intelligence activities, logistical support, fuel purchases, base support, depot maintenance and over-ocean transportation related to the wars in Iraq and Afghanistan.

The conferees believe that military operations in Afghanistan are vital to defeating terrorism and therefore provide an additional $750,000,000 for Operation Enduring Freedom above the original budget request as follows:

Operation Enduring Freedom

[In millions of dollars]

Army	+510
Navy	+100
Marine Corps	+45
Air Force	+80
Defense-wide	+15
Total OEF	+750

OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
50 OPERATION AND MAINTENANCE, ARMY			
70 BUDGET ACTIVITY 1: OPERATING FORCES			
90 ADDITIONAL ACTIVITIES	17,631,309	17,606,616	17,606,616
95 OPERATION ENDURING FREEDOM OPTEMPO	500,000	---	---
110 COMMANDER'S EMERGENCY RESPONSE PROGRAM	456,000	456,400	456,400
150 TOTAL, BUDGET ACTIVITY 1	18,587,309	18,063,016	18,063,016
165 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
170 SECURITY PROGRAMS	597,614	597,614	597,614
190 SERVICE-WIDE TRANSPORTATION	1,712,749	1,712,749	1,712,749
195 TOTAL, BUDGET ACTIVITY 4	2,310,363	2,310,363	2,310,363
211 TOTAL, O&M, ARMY	20,897,672	20,373,379	20,373,379

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request 1/	House 2/	Senate	Conference
OPERATION AND MAINTENANCE, ARMY				
BA-1: OPERATING FORCES				
OEF OPTEMPO	0	**500,000**	0	0
Additional Activities	**17,656,616**	**17,631,309**	**17,606,616**	**17,606,616**
Correction of budget submission error		456,000		0
Mobilization training		88,500		0
Readiness Enhancements		200,000		0
Unjustified request			-50,000	-50,000
Commanders' Emergency Response Program	**456,400**	**456,000**	**456,400**	**456,400**
Correction of budget submission error		-50,400		

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

COMMANDERS' EMERGENCY RESPONSE PROGRAM

Within the funds provided for Operation and Maintenance, Army, the conference agreement includes $456,400,000 for the Commanders' Emergency Response Program (CERP). Within this amount, $350,400,000 shall be for CERP activities in Iraq and $106,000,000 for activities in Afghanistan.

The following table provides details within Operation and Maintenance, Army line items recommended by the conferees:

	Line and Category	Conference Recommendation
135	OIF/OEF Operations and Sustainment	$3,472,494
135	LOGCAP	2,511,402
135	Subsistence	965,300
135	IBA/RFI/Other Force Protection	1,543,712
135	Predeployment Training and Support	1,484,768
135	Active Component Overstrength (30K)	386,189
135	Soldier and Family Support	863,365
135	Contract Linguists/Cultural Advisors	884,902
135	CONUS Base Support/Security	851,903
135	Recruiting and Retention	215,869
135	Reconstruction Support (GRD/PCO)	790,082
135	BCT Acceleration	177,245
135	Theater Plus Up/Surge	3,029,745
135	COCOM Regional War on Terror	90,832
135	Other GWOT	218,949
135	Intelligence Activities	119,859
	Subtotal Additional Activities	17,606,616
136	CERP	456,400
411	Security programs	597,614
421	Second Destination Transportation	1,712,749
	Grand Total, Operation and Maintenance, Army	$20,373,379

OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
270 OPERATION AND MAINTENANCE, NAVY			
290 BUDGET ACTIVITY 1: OPERATING FORCES			
310 MISSION & OTHER FLIGHT OPERATIONS	1,309,203	1,121,040	1,121,040
330 FLEET AIR TRAINING	41,661	41,661	41,661
350 INTERMEDIATE MAINTENANCE	1,420	1,420	1,420
370 AIR OPERATIONS AND SAFETY SUPPORT	6,614	6,614	6,614
390 AIR SYSTEMS SUPPORT	6,005	6,005	6,005
410 AIRCRAFT DEPOT MAINTENANCE	190,304	184,663	56,104
430 MISSION & OTHER SHIP OPERATIONS	824,606	767,758	767,758
450 SHIP OPERATIONAL SUPPORT/TRAINING	15,417	15,417	15,417
470 SHIP DEPOT MAINTENANCE	278,235	269,009	109,235
490 SHIP DEPOT OPERATIONS SUPPORT	11,463	11,463	11,463
510 COMBAT COMMUNICATIONS	10,656	10,656	10,656
530 ELECTRONIC WARFARE	9,088	9,088	9,088
550 SPACE SYSTEMS & SURVEILLANCE	3,190	3,190	3,190
570 WARFARE TACTICS	11,861	11,861	11,861
590 OP METEOROLOGY AND OCEANOGRAPHY	4,919	4,919	4,919
610 COMBAT SUPPORT FORCES	1,683,241	1,074,667	1,074,667
630 EQUIPMENT MAINTENANCE	8,991	8,991	8,991
650 IN-SERVICE WEAPONS SYSTEMS SUPPORT	23,316	23,316	23,316
670 WEAPONS MAINTENANCE	6,671	6,671	6,671
690 OTHER WEAPONS SYSTEMS SUPPORT	463	463	463
710 FACILITIES SUSTAINMENT, RESTORATION & MOD (FSRM)	27,665	27,665	27,665
730 BASE OPERATING SUPPORT (BOS)	491,069	491,069	491,069
750 UNEXECUTABLE FY 2007 FUNDING	-306,000	---	---
760 OPERATION ENDURING FREEDOM OPTEMPO	200,000	---	100,000
765 ADJUSTMENT TO CORRECT OFFICIAL BUDGET REQUEST	-554,855	---	---
770 TOTAL, BUDGET ACTIVITY 1	4,305,203	4,097,606	3,909,273
790 BUDGET ACTIVITY 2: MOBILIZATION			
810 SHIP PREPOSITIONING & SURGE	187,302	162,761	162,761
850 FLEET HOSPITAL PROGRAM	7,903	7,903	7,903
860 ADJUSTMENT TO CORRECT OFFICIAL BUDGET REQUEST	-24,000	---	---
870 TOTAL, BUDGET ACTIVITY 2	171,205	170,664	170,664

	(In thousands of dollars) House	Senate	Conference
890 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
910 OFFICER ACQUISITION	71	71	71
950 SPECIALIZED SKILL TRAINING	84,292	67,849	67,849
970 FLIGHT TRAINING	8,656	8,656	8,656
990 RECRUITING & ADVERTISING	1,152	1,152	1,152
1010 ADJUSTMENT TO CORRECT OFFICIAL BUDGET REQUEST	-16,272	---	---
1050 TOTAL, BUDGET ACTIVITY 3	77,899	77,728	77,728
1070 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
1090 ADMINISTRATION	6,027	6,027	6,027
1110 EXTERNAL RELATIONS	98	98	98
1130 MILITARY MANPOWER/PERSONNEL MANAGEMENT	1,188	1,188	1,188
1150 OTHER PERSONNEL SUPPORT	2,392	2,392	2,392
1170 SERVICE-WIDE COMMUNICATIONS	72,089	71,489	71,489
1190 SERVICE-WIDE TRANSPORTATION	346,938	194,011	194,011
1210 PLANNING, ENGINEER & DESIGN	3	3	3
1230 ACQUISITION AND PROGRAM MANAGEMENT	109,817	54,212	54,212
1250 COMBAT/WEAPONS SYSTEM	436	436	436
1270 SPACE & ELECTRONIC WARFARE SYSTEM	55	55	55
1290 SECURITY PROGRAMS	106,962	65,147	65,147
1310 NAVAL INVESTIGATIVE SERVICE	3,654	3,654	3,654
1330 ADJUSTMENT TO CORRECT OFFICIAL BUDGET REQUEST	-208,862	---	---
1350 TRANSFER TO COAST GUARD	120,293	120,293	120,293
1390 TOTAL, BUDGET ACTIVITY 4	561,090	519,005	519,005
1410 TOTAL, O&M, NAVY	5,115,397	4,865,003	4,676,670

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request 1/	House 2/	Senate	Conference
OPERATION AND MAINTENANCE, NAVY				
BA-1: OPERATING FORCES				
Amended Budget (correction of submission error)	**0**	**-554,855**	**0**	**0**
OEF OPTEMPO	**0**	**200,000**	**0**	**100,000**
Mission & Other Flight Operations	**1,121,040**	**1,208,965**	**1,121,040**	**1,121,040**
Marine Corps Flying hours		80,000		0
Aircraft Depot Maintenance	**190,304**	**53,304**	**184,663**	**56,104**
Funds not executable in FY 2007		-137,000	-8,441	-137,000
Aircraft survivability equipment (Marine Corps)			2,800	2,800
Ship Depot Maintenance	**278,235**	**109,235**	**269,009**	**109,235**
Funds not executable in FY 2007		-169,000	-9,226	-169,000
Combat Support Forces Maintenance	**1,235,279**	**0**	**1,074,667**	**1,074,667**
Funds not executable in FY 2007			-160,612	-160,612

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

UNEXECUTABLE DEPOT MAINTENANCE

In the fiscal year 2007 emergency supplemental request, the Navy requested funding for additional depot maintenance associated with the surge of combat forces to Iraq and the CENTCOM area of responsibility. Based on more recent analysis of depot maintenance requirements subsequent to the budget submission, the conferees reduce the amount of funding identified by the Navy as being unexecutable in fiscal year 2007.

OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
1430 OPERATION AND MAINTENANCE, MARINE CORPS			
1450 BUDGET ACTIVITY 1: OPERATING FORCES			
1490 OPERATIONAL FORCES	664,833	514,633	514,633
1510 FIELD LOGISTICS	531,632	381,632	381,632
1570 SUSTAINMENT, RESTORATION, AND MODERNIZATION	19,186	19,186	19,186
1590 BASE SUPPORT	33,474	33,474	33,474
1592 OPERATION ENDURING FREEDOM OPTEMPO	100,000	---	45,000
1595 TOTAL, BUDGET ACTIVITY 1	1,349,125	948,925	993,925
1605 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
1610 RECRUIT TRAINING	1,900	---	---
1650 TRAINING SUPPORT	62,936	62,936	62,936
1670 RECRUITING AND ADVERTISING	24,000	24,000	24,000
1675 TOTAL, BUDGET ACTIVITY 3	88,836	86,936	86,936
1685 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
1730 SERVICE-WIDE TRANSPORTATION	65,733	65,733	65,733
1735 TOTAL, BUDGET ACTIVITY 4	65,733	65,733	65,733
1750 TOTAL, O&M, MARINE CORPS	1,503,694	1,101,594	1,146,594

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget Request 1/	House 2/	Senate	Conference
OPERATION AND MAINTENANCE, MARINE CORPS				
BA-1: OPERATING FORCES				
OEF OPTEMPO	**0**	**100,000**	**0**	**45,000**
Operational Forces	**664,633**	**664,833**	**514,633**	**514,633**
Additional individual equipment		200		0
Unexecutable Funding			-150,000	-150,000
Field Logistics	**531,632**	**531,632**	**381,632**	**381,632**
Unexecutable Funding			-150,000	-150,000
BA-3: TRAINING AND RECRUITING	**86,936**	**88,836**	**86,936**	**86,936**
Recruit Training		1,900		0

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

UNEXECUTABLE FUNDING

Subsequent to the budget submission, the Marine Corps identified $300,000,000 that is unexecutable in fiscal year 2007 based on unanticipated lag time associated with current funding execution.

OPERATION AND MAINTENANCE, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
1770 OPERATION AND MAINTENANCE, AIR FORCE			
1790 BUDGET ACTIVITY 1: OPERATING FORCES			
1810 PRIMARY COMBAT FORCES	1,281,232	1,252,192	1,252,192
1830 PRIMARY COMBAT WEAPONS	2,427	2,427	2,427
1850 COMBAT ENHANCEMENT FORCES	91,586	91,586	91,586
1890 COMBAT COMMUNICATIONS	339,480	339,480	339,480
1910 DEPOT MAINTENANCE	85,400	85,400	85,400
1930 FSRM	184,505	184,505	184,505
1950 BASE OPERATING SUPPORT	1,711,157	1,811,157	1,711,157
1970 GLOBAL C3I AND EARLY WARNING	20,872	20,872	20,872
1990 NAVIGATION AND WEATHER SUPPORT	6,344	6,344	6,344
2010 OTHER COMBAT OPS SUPPORT	270,506	257,732	257,732
2030 MANAGEMENT AND OPERATIONAL	104,503	95,139	95,139
2050 TACTICAL INTEL & OTHER SUPPORT	930	930	930
2070 LAUNCH FACILITIES	1,103	1,103	1,103
2090 LAUNCH VEHICLES	20	20	20
2110 SPACE CONTROL SYSTEMS	572	572	572
2130 SATELLITE SYSTEMS	73	73	73
2150 OTHER SPACE OPERATIONS	7,949	7,949	7,949
2170 FSRM	157	157	157
2190 BASE OPERATING SUPPORT	9,058	9,058	9,058
2195 OPERATION ENDURING FREEDOM OPTEMPO	140,000	---	65,000
2210 TOTAL, BUDGET ACTIVITY 1	4,257,874	4,166,696	4,131,696
2225 BUDGET ACTIVITY 2: MOBILIZATION			
2230 AIRLIFT OPERATIONS	1,683,783	1,551,583	1,551,583
2270 AIRLIFT OPERATIONS C3I	12,284	12,284	12,284
2290 MOBILIZATION PREPAREDNESS	19,988	19,988	19,988
2310 DEPOT MAINTENANCE	209,000	209,000	209,000
2330 FSRM	1,464	1,464	1,464
2350 BASE OPERATING SUPPORT	95,302	95,302	95,302
2370 TOTAL, BUDGET ACTIVITY 2	2,021,821	1,889,621	1,889,621

	(In thousands of dollars) House	Senate	Conference
2385 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
2390 RECRUIT TRAINING	54	54	54
2430 BASE OPERATING SUPPORT	1,510	1,510	1,510
2450 SPECIALIZED SKILL TRAINING	65,036	65,036	65,036
2470 FLIGHT TRAINING	25	25	25
2490 PROFESSIONAL DEVELOPMENT TRAINING	692	692	692
2510 TRAINING SUPPORT	1,241	1,241	1,241
2530 FSRM	2,406	2,406	2,406
2550 BASE OPERATING SUPPORT	15,000	15,000	15,000
2570 RECRUITING AND ADVERTISING	72	72	72
2590 TOTAL, BUDGET ACTIVITY 3	86,036	86,036	86,036
2605 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
2610 LOGISTICS OPERATIONS	191,550	191,550	191,550
2650 TECHNICAL SUPPORT ACTIVITIES	1,101	1,101	1,101
2670 SERVICE-WIDE TRANSPORTATION	113,776	113,776	113,776
2690 FSRM	145	145	145
2710 BASE OPERATING SUPPORT	15,124	15,124	15,124
2730 ADMINISTRATION	1,421	1,421	1,421
2750 SERVICE-WIDE COMMUNICATION	40,765	40,765	40,765
2770 PERSONNEL PROGRAMS	222	222	222
2790 OTHER SERVICE-WIDE ACTIVITIES	47,486	47,486	47,486
2810 OTHER PERSONNEL SUPPORT	2,603	2,603	2,603
2830 BASE OPERATING SUPPORT	2,862	2,862	2,862
2850 SECURITY PROGRAMS	102,842	102,842	102,842
2870 INTERNATIONAL SUPPORT	23,631	23,631	23,631
2890 TOTAL, BUDGET ACTIVITY 4	543,528	543,528	543,528
2910 TOTAL, O&M, AIR FORCE	6,909,259	6,685,881	6,650,881

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request 1/	House 2/	Senate	Conference
OPERATION AND MAINTENANCE, AIR FORCE				
BA-1: OPERATING FORCES				
OEF OPTEMPO	**0**	**140,000**	**0**	**65,000**
Base Operating Support	**2,011,157**	**1,711,157**	**1,811,157**	**1,711,157**
Unjustified Growth		-300,000	-200,000	-300,000
Airlift Operations	**1,701,583**	**1,683,783**	**1,551,583**	**1,551,583**
Unjustified Growth			-150,000	-150,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.

2/ House action relative to the official 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
2930 OPERATION AND MAINTENANCE, DEFENSE-WIDE			
2950 BUDGET ACTIVITY 1: OPERATING FORCES			
2970 THE JOINT STAFF (TJS)	35,200	61,904	60,200
2990 US SPECIAL OPERATIONS COMMAND (US SOCOM)	653,147	667,197	653,147
3010 TOTAL, BUDGET ACTIVITY 1	688,347	729,101	713,347
3025 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
3030 AMERICAN FORCES INFORMATION SERVICE (AFIS)	18,785	18,785	18,785
3050 DEFENSE CONTRACT AUDIT AGENCY (DCAA)	16,372	15,000	16,372
3070 DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)	6,169	5,882	6,169
3090 DEFENSE HUMAN RESOURCES ACTIVITY (DHRA)	21,681	6,551	6,551
3110 DEFENSE INFORMATION SYSTEMS AGENCY (DISA)	76,347	162,347	76,347
3130 DEFENSE LOGISTICS AGENCY (DLA)	24,600	---	---
3170 DOD EDUCATION ACTIVITY (DODEA)	136,900	119,922	129,922
3190 DEFENSE SECURITY COOPERATION AGENCY (DSCA)	650,000	500,000	500,000
3210 DEFENSE THREAT REDUCTION AGENCY (DTRA)	11,900	1,200	1,200
3230 OFFICE OF THE SECRETARY OF DEFENSE	40,180	40,180	45,180
3250 WASHINGTON HEADQUARTERS SERVICES (WHS)	4,800	4,800	4,800
3270 CLASSIFIED	1,129,912	1,186,901	1,180,814
3275 OPERATION ENDURING FREEDOM OPTEMPO	30,000	---	15,000
3300 TOTAL, BUDGET ACTIVITY 4	2,167,646	2,061,568	2,001,140
3310 TOTAL, O&M, DEFENSE-WIDE	2,855,993	2,790,669	2,714,487

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

	Budget Request 1/	House 2/	Senate	Conference
The Joint Staff (TJS)	**61,904**	**35,200**	**61,904**	**60,200**
Combatant Commander Initiative Fund (CCIF)		-25,000		
Contingency planning database (CPD) and effects-based assessment system (EBASS)		-1,704		-1,704
US Special Operations Command (US SOCOM)	**667,197**	**653,147**	**667,197**	**653,147**
Program reduction		-14,050		-14,050
Defense Contract Audit Agency (DCAA)	**15,000**	**16,372**	**15,000**	**16,372**
Iraq reconstruction efforts: civilian personnel		1,263		1,263
Iraq reconstruction efforts: temporary/additional duty		13		13
Iraq reconstruction efforts: miscellaneous contracts		96		96
Defense Contract Management Agency (DCMA)	**5,882**	**6,169**	**5,882**	**6,169**
Contract oversight of Iraq and Afghanistan mission requirements: pay		287		287
Defense Human Resources Activity (DHRA)	**21,681**	**21,681**	**6,551**	**6,551**
Homeland Security Presidential Directive No. 12			-15,130	-15,130
Defense Information Systems Agency (DISA)	**162,347**	**76,347**	**162,347**	**76,347**
Expeditionary virtual network (EVNO)		-86,000		-86,000
Defense Logistics Agency (DLA)	**24,600**	**24,600**	**0**	**0**
Lithium battery program adjustment			-24,600	-24,600
DoD Education Activity (DoDEA)	**119,922**	**136,900**	**119,922**	**129,922**
Guantanamo Bay quality of life		-38,322		
Family assistance for Guard and Reserve		7,000		4,000
Child care for Guard and Reserve		10,000		6,000
Defense Security Cooperation Agency (DSCA)	**950,000**	**650,000**	**500,000**	**500,000**
Support to coalition partners: global lift and sustain		-50,000	-50,000	-50,000
Support to coalition partners: global train and equip		-300,000	-300,000	-300,000
Coalition support reduction			-100,000	-100,000
Defense Threat Reduction Agency (DTRA)	**1,200**	**11,900**	**1,200**	**1,200**
Office of the Secretary of Defense	**40,180**	**40,180**	**40,180**	**45,180**
Transfer from Procurement of Ammunition, Air Force only for Handgun Replacement Study				5,000
Classified	**1,185,809**	**1,129,912**	**1,186,901**	**1,180,814**
OEF OPTEMPO	**0**	**30,000**	**0**	**15,000**

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

EXPEDITIONARY VIRTUAL NETWORK (EVNO)

The conference agreement deletes funds requested within the Defense Information Systems Agency for the expeditionary virtual network. The conferees direct that these activities shall be funded within funds made available in this Act for the Iraq Security Forces Fund.

SOAR Virtual School District

The conferees direct that the Deputy Undersecretary of Defense for Military Community and Family Policy shall release a request for proposal as soon as practicable for funding provided in the fiscal year 2007 Defense Appropriations Act for Student Online Achievement Resources (SOAR Virtual School District), an Internet-based initiative designed to assist children from military families reap the greatest benefit from their public education, especially as families relocate and students move from school to school. This effort shall involve online assessments to identify strengths and weaknesses in both literacy and math and will be provided by a teacher education program of an institution of higher education that has experience working with teachers to provide curricula for children of Armed Forces personnel. Further, this project shall link schools through a "virtual school district," providing a vehicle by which a student's individual performance records can transfer to a student's new school.

Family Advocacy Programs

The conference agreement provides $10,000,000 for Family Advocacy Programs, instead of $17,000,000 as proposed by the House. Of the additional amounts provided, $4,000,000 is to fund initiatives to bolster Guard and Reserve family pre-deployment and post deployment support programs. These initiatives should utilize Joint Reserve & Guard Family Assistance Centers. The conferees also provide $6,000,000 to support the child care needs of deployed Guard and Reserve members in their local communities, to include respite and emergency child care.

The conferees also are aware of and concerned about the growing need for family members to have access to professional counseling to help alleviate the mental stresses associated with deployments. At select bases around the country, it has been reported that children of service members are experiencing higher truancy rates and falling grades in school. As such, the conferees urge the family advocacy programs to work with the Department's Health Affairs office, specifically the Defense Health Program, to coordinate efforts to ensure that counseling is provided to all family members of the active duty and reserve component members on deployment or preparing for deployment overseas.

Global Train and Equip

The conference report does not contain an emergency appropriation requested by the Administration for Global Train and Equip authorized under section 1206 of the Fiscal Year 2006 National Defense Authorization Act. Based upon discussions with the Department of Defense, the conferees understand that the Department, working with other federal agencies, has identified requirements associated with Global Train and Equip activities, and is developing a reprogramming request for consideration by the congressional defense committees. The conferees await such a request and anticipate favorable consideration of the reprogramming, provided that the sources of funds meet the committees' approval.

HANDGUN REPLACEMENT STUDY

The conferees provide $5,000,000 only for a study that examines joint sidearm requirements (including service-unique requirements, as appropriate), the M9 9mm handgun's capabilities (including its lethality), and handgun and ammunition alternatives that address these requirements. The conferees understand that it will be necessary to purchase up to 50 handguns and associated ammunition to conduct this study. In order to inform deliberations on the fiscal year 2008 appropriations bill for the Department of Defense, the conferees direct that the results of the study be provided in a written report to the congressional defense committees by August 31, 2007.

OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3330 OPERATION AND MAINTENANCE, ARMY RESERVE			
3351 ADDITIONAL ACTIVITIES	74,049	74,049	74,049
3370 TOTAL, O&M, ARMY RESERVE	74,049	74,049	74,049

OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3410 OPERATION AND MAINTENANCE, NAVY RESERVE			
3430 MISSION & OTHER FLIGHT OPERATIONS	43,601	43,601	43,601
3450 INTERMEDIATE MAINTENANCE	9,110	9,110	9,110
3470 MISSION & OTHER SHIP OPERATIONS	22,151	22,151	22,151
3490 COMBAT COMMUNICATIONS	1,170	1,170	1,170
3510 COMBAT SUPPORT FORCES	29,000	29,000	29,000
3530 BASE OPERATING SUPPORT (BOS)	6,034	6,034	6,034
3550 TOTAL, O&M, NAVY RESERVE	111,066	111,066	111,066

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3570 OPERATION AND MAINTENANCE, MARINE CORPS RESERVE			
3590 OPERATIONAL FORCES	13,591	13,591	13,591
3650 TOTAL, O&M, MARINE CORPS RESERVE	13,591	13,591	13,591

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3670 OPERATION AND MAINTENANCE, AIR FORCE RESERVE			
3710 PRIMARY COMBAT FORCES	7,100	7,100	7,100
3730 BASE SUPPORT	3,060	3,060	3,060
3750 TOTAL, O&M, AIR FORCE RESERVE	10,160	10,160	10,160

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3770 OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD			
3850 ADDITIONAL ACTIVITIES	133,569	83,569	83,569
3870 TOTAL, O&M, ARMY NATIONAL GUARD	133,569	83,569	83,569

EXPLANTION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

	Budget Request 1/	House 2/	Senate Conference	
Additional Activities	**83,569**	**133,569**	**83,569**	**83,569**
Additional activities: recruitment and retention		50,000		0

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3890 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD			
3910 AIRCRAFT OPERATIONS	27,200	27,200	27,200
3930 MISSION SUPPORT OPERATIONS	11,229	11,229	11,229
3951 TOTAL, O&M, AIR NATIONAL GUARD	38,429	38,429	38,429

AFGHANISTAN SECURITY FORCES FUND

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
4010 AFGHANISTAN SECURITY FORCES FUND			
4030 MINISTRY OF DEFENSE FORCES:			
4050 INFRASTRUCTURE	209,900	209,900	209,900
4070 EQUIPMENT AND TRANSPORTATION	3,214,500	3,214,500	3,214,500
4090 TRAINING	185,900	185,900	185,900
4110 SUSTAINMENT	255,200	255,200	255,200
4130 MINISTRY OF INTERIOR FORCES:			
4150 INFRASTRUCTURE	594,200	594,200	594,200
4170 EQUIPMENT AND TRANSPORTATION	624,200	624,200	624,200
4190 TRAINING	414,800	414,800	414,800
4210 SUSTAINMENT	399,500	399,500	399,500
4230 RELATED ACTIVITIES	8,200	8,200	8,200
4250 TOTAL, AFGHANISTAN SECURITY FORCES FUND	5,906,400	5,906,400	5,906,400

IRAQ SECURITY FORCES FUND

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
4270 IRAQ SECURITY FORCES FUND			
4290 MINISTRY OF DEFENSE FORCES:			
4310 INFRASTRUCTURE	264,800	264,800	264,800
4330 EQUIPMENT AND TRANSPORTATION	1,739,800	1,584,300	1,584,300
4350 TRAINING	51,700	51,700	51,700
4370 SUSTAINMENT	1,079,600	1,079,600	1,079,600
4390 MINISTRY OF INTERIOR FORCES:			
4410 INFRASTRUCTURE	205,000	205,000	205,000
4430 EQUIPMENT AND TRANSPORTATION	373,600	373,600	373,600
4450 TRAINING	52,900	52,900	52,900
4470 SUSTAINMENT	72,900	72,900	72,900
4490 RELATED ACTIVITIES	2,000	157,500	157,500
4530 TOTAL, IRAQ SECURITY FORCES FUND	3,842,300	3,842,300	3,842,300

IRAQ SECURITY FORCES FUND

The conference agreement includes $3,842,300,000, the same level as proposed by both the House and the Senate for the Iraq Security Forces Fund. Within this amount, the conference agreement includes $155,500,000 for assistance to the Government of Iraq to disarm, demobilize and reintegrate militias and illegal armed groups. The House had proposed to delete these funds.

The conference agreement modifies a general provision proposed by the House that required certain reports before the obligation of more than 50 percent of the funds made available under this heading.

The conference agreement deletes the withholding of funds under this heading until the reports are provided and, in lieu thereof, requires the submission of the aforementioned reports to the congressional defense committees. The conferees note the pressing need for the data mandated in these reports and fully expect the Department of Defense and the Office of Management and Budget to submit these reports, and any updates thereto, within the timeframes identified in the provision.

IRAQ FREEDOM FUND

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
4550 IRAQ FREEDOM FUND			
4570 JOINT RAPID ACQUISITION FOR GLOBAL WAR ON TERROR.....	50,000	100,000	100,000
4590 REMAINS, TRANSPORTATION.....	105,600	105,600	105,600
4595 STATE OWNED FACTORY RESTART, IRAQ.....	---	100,000	50,000
4600 PROVINCIAL RECONSTRUCTION TEAMS, IRAQ.....	---	150,000	100,000
4610 TOTAL, IRAQ FREEDOM FUND.....	155,600	455,600	355,600

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
4630 JOINT IMPROVISED EXPLOSIVE DEVICE (IED) DEFEAT FUND			
4650 ATTACK THE NETWORK.....	834,500	834,500	834,500
4670 DEFEAT THE DEVICE.....	1,485,700	1,485,700	1,485,700
4690 TRAIN THE FORCE.....	112,600	112,600	112,600
4730 TOTAL, JOINT IED DEFEAT FUND.....	2,432,800	2,432,800	2,432,800

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

The conference agreement provides $2,432,800,000 for the Joint Improvised Explosive Device Defeat Organization (JIEDDO), as requested, and proposed by both the House and the Senate. Both chambers have expressed concerns with JIEDDO's management practices, and the conferees concur with the findings made by the respective Committees. The conferees direct the Joint Improvised Explosive Device Defeat Organization to adhere to the reporting requirements as set forth in Senate Report 110–37 and the direction and reprogramming requirements as set forth in House Report 110–60.

The conferees agree to provide substantial resources to the JIEDDO in support of the prescribed objective to develop and field innovative solutions and countermeasures to mitigate the critical threat posed by improvised explosive devices. However, the conferees remain concerned with the organization's financial management practices, including its continued failure to provide a plan for obligation and expenditures for previously appropriated and for currently requested funding. The conferees are concerned that the organization is not effectively managing its resources to deliver effective counter-IED solutions to theater. Furthermore, the conferees are concerned with the JIEDDO's inability to provide timely and detailed responses to the congressional defense committees' inquiries for specific information regarding its budget requests. The conferees will be hard-pressed to fully fund future budget requests unless the JIEDDO improves its financial management practices and its responsiveness.

STRATEGIC RESERVE READINESS FUND

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars)		
	House	Senate	Conference
4750 STRATEGIC RESERVE READINESS FUND	2,500,000	---	2,000,000

STRATEGIC RESERVE READINESS FUND

The conference agreement provides $2,000,000,000 to establish the Strategic Reserve Readiness Fund, instead of $2,500,000,000 as proposed by the House. From the amount provided, $1,000,000,000 shall be transferred to the National Guard and Reserve Equipment appropriation to support improvements to the readiness of the Army National Guard.

PROCUREMENT

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
SUMMARY			
ARMY			
AIRCRAFT	461,850	619,750	619,750
MISSILES	160,173	111,473	111,473
WEAPONS, TRACKED COMBAT VEHICLES	3,474,389	3,400,315	3,404,315
AMMUNITION	681,500	681,500	681,500
OTHER	10,197,399	10,589,272	11,076,137
TOTAL, ARMY	14,975,311	15,402,310	15,893,175
NAVY			
AIRCRAFT	995,797	963,903	1,090,287
WEAPONS	171,813	163,813	163,813
AMMUNITION	159,833	159,833	159,833
OTHER	937,407	722,506	748,749
MARINE CORPS	1,885,383	1,703,389	2,252,749
TOTAL, NAVY	4,150,233	3,713,444	4,415,431
AIR FORCE			
AIRCRAFT	2,474,916	1,431,756	2,106,468
MISSILES	140,300	78,900	94,900
AMMUNITION	95,800	6,000	6,000
OTHER	2,042,183	1,972,131	2,096,200
TOTAL, AIR FORCE	4,753,199	3,488,787	4,303,568
DEFENSE-WIDE			
DEFENSE-WIDE	934,930	903,092	980,050
NATIONAL GUARD AND RESERVE EQUIPMENT			
NATIONAL GUARD AND RESERVE EQUIPMENT	---	1,000,000	---
TOTAL PROCUREMENT	24,813,673	24,507,633	25,592,224

AIRCRAFT COMBAT LOSSES

The conferees have agreed to fund procurement of aircraft to replace combat losses. The conference agreement includes funding for three F/A-18E/F aircraft to directly replace F/A–18 aircraft lost in combat and to fund a single EA–18G aircraft which is a functional replacement for an EA–6B Prowler combat loss. Additionally, funding is provided to bolster the readiness and capabilities of aviation assets operating in extremely high rates. As such, the conferees agree to fund six UH–60 helicopters and five C–130 aircraft.

FUNDING FOR EFFORTS IN BASE BUDGET

The conferees agree to delete funding for procurement items that are better suited to receive funding through the normal budget process. Replacing obsolete computer equipment and installing nonemergency equipment modifications or upgrades should be funded as part of the base budget. The Department of Defense is encour-

aged to appropriately identify their needs so that only emergency items are requested in the supplementals and routine procurements are funded in the normal budget process. Additionally, the Department is reminded that supplemental funding should not be requested for items that can not be executed in a timely fashion.

AIRCRAFT PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
50 AIRCRAFT PROCUREMENT, ARMY			
100 ARMED RECONNAISSANCE HELICOPTER	38,000	---	---
150 UH-60M BLACKHAWK (MYP)	30,403	136,303	136,303
250 GUARDRAIL MODS (TIARA)	33,000	33,000	33,000
300 ARL MODS (TIARA)	15,000	15,000	15,000
350 AH-64 MODS	64,200	64,200	64,200
400 CH-47 CARGO HELICOPTER MODS	30,000	120,000	120,000
450 ASE INFRARED CM	231,555	231,555	231,555
500 COMMON GROUND EQUIPMENT	1,811	1,811	1,811
550 AIRCREW INTEGRATED SYSTEMS	10,200	10,200	10,200
600 AIR TRAFFIC CONTROL	7,681	7,681	7,681
650 TOTAL, AIRCRAFT PROCUREMENT, ARMY	461,850	619,750	619,750

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
3	**Armed Reconnaissance Helicopter**	**38,000**	**38,000**	**0**	**0**
	Baseline budget requirement			-38,000	-38,000
5	**UH-60M Blackhawk Multiyear**	**106,303**	**30,403**	**136,303**	**136,303**
	Defer acquisition funding for non-battle loss replacement aircraft		-75,900		0
	War Replacement Aircraft			30,000	30,000
12	**CH-47 Cargo Helicopter Mods**	**120,000**	**30,000**	**120,000**	**120,000**
	Defer acquisition funding for non-battle loss replacement aircraft		-90,000		0
	(Note: The conference agreement includes one SOCOM CH-47 battle loss and three CH-47s for the Army National Guard)				

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

MISSILE PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
700 MISSILE PROCUREMENT, ARMY			
750 JAVELIN	103,673	74,673	74,673
800 GUIDED MLRS ROCKET	19,700	---	---
850 ITAS/TOW MODIFICATIONS	36,800	36,800	36,800
900 TOTAL, MISSILE PROCUREMENT, ARMY	160,173	111,473	111,473

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1	Budget Request 1/	House 2/	Senate	Conference
5 Javelin	**103,673**	**103,673**	**74,673**	**74,673**
Unexecutable Request			-29,000	-29,000
15 GMLRS	**19,700**	**19,700**	**0**	**0**
Unit Cost Efficiencies			-19,700	-19,700

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
950 PROCUREMENT OF W&TCV, ARMY			
1000 BRADLEY BASE SUSTAINMENT (G80718)	520,800	520,800	520,800
1150 STRYKER VEHICLE (G85100)	857,685	767,685	767,685
1200 CARRIER, MOD (GB1930)	36,191	36,191	36,191
1250 FIST VEHICLE (MOD) (GZ2300)	16,257	16,257	16,257
1300 BFVS SERIES (MOD) (GZ2400)	115,190	115,190	115,190
1350 HOWITZER, MED SP FT 155MM M109A6 (MOD) (GA0400)	15,785	15,785	15,785
1400 IMPROVED RECOVERY VEHICLE (M88 MOD) (GA0570)	65,635	57,635	61,635
1500 M1 ABRAMS TANK (MOD) (GA0700)	75,259	75,259	75,259
1550 SYSTEM ENHANCEMENT PGM: (SEP M1A2) (GA0730)	325,000	325,000	325,000
1600 HOWITZER, LIGHT, TOWED, 105MM, M119 (G01300)	17,696	17,696	17,696
1650 M240 MEDIUM MACHINE GUN (7.62MM) (G13000)	66,165	72,277	72,277
1700 M249 SAW MACHINE GUN, 5.56MM (G12900)	3,314	3,314	3,314
1750 MK-19 GRENADE MACHINE GUN (40MM) (G13400)	36,462	41,871	41,871
1800 MORTAR SYSTEMS (G02200)	35,212	35,212	35,212
1850 M107, CAL 50, SNIPER RIFLE (G01500)	719	719	719
1900 XM110 SEMI -AUTOMATIC SNIPER SYSTEM (SASS) (G01505)	317	317	317
1950 M4 CARBINE (G14904)	94,912	98,412	98,412
2000 SHOTGUN, MODULAR ACCESSORY SYSTEM (MASS) (G18300)	4,000	---	---
2050 COMMON REMOTELY OPERATED WEAPONS STATION (CROWS) (G047	220,000	220,000	220,000
2100 M4 CARBINE MODS (GB3007)	127,341	129,752	129,752
2150 M2 50 CAL MACHINE GUN MODS (GB4000)	4,000	4,000	4,000
2200 M249 SAW MACHINE GUN MODS (GZ1290)	13,556	13,556	13,556
2250 M240 SAW MACHINE GUN MODS (GZ1300)	3,591	3,591	3,591
2300 PHALANX MODS (GL1000)	150,000	150,000	150,000
2350 M16 RIFLE MODS (GZ2800)	1,947	1,947	1,947
2400 MODS LESS THAN $5.0M (WOCV-WTCV) (GC0925)	21,454	21,900	21,900
2450 ITEMS LESS THAN $5.0M (WOCV-WTCV) (GL3200)	4,074	4,996	4,996
2500 SMALL ARMS EQUIPMENT (SOLDIER ENH PROG) (GC0076)	8,202	8,202	8,202
2550 REF SMALL ARMS (G15400)	560	560	560
2600 MACHINE GUN, CAL .50 M2 ROLL (GB2000)	32,480	41,369	41,369
2650 XM320 GRENADE LAUNCHER MODULE (GLM) (G01501)	4,234	4,471	4,471
2700 ABRAMS UPGRADE PROGRAM (M1A2 SEP) (GA0750)	596,351	596,351	596,351
2750 TOTAL, PROCUREMENT OF W&TCV, ARMY	3,474,389	3,400,315	3,404,315

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
5	**Stryker Vehicle (G85100)**	857,685	857,685	767,685	767,685
	Premature Funding Request, Mobile Gun System			-90,000	-90,000
12	**Improved Recovery Vehicle (M88 MOD) (GA0570)**	65,635	65,635	57,635	61,635
	Pricing Adjustment			-8,000	-4,000
20	**M240 Medium Machine Gun (7.62MM) (G13000)**	72,277	66,165	72,277	72,277
22	**M-19 Grenade Machine Gun (40MM) (G13400)**	41,871	36,462	41,871	41,871
27	**M4 Carbine (G14904)**	98,412	94,912	98,412	98,412
28	**Shotgun, Modular Accessory System (G18300)**	4,000	4,000	0	0
	Premature Funding			-4,000	-4,000
32	**M4 Carbine MODS (GB3007)**	129,752	127,341	129,752	129,752
40	**MODS Less than $5.0 Million**	21,900	21,454	21,900	21,900
41	**Items Less than $5.0 Million**	4,996	4,074	4,996	4,996
48	**Machine Gun, Cal .50 M2 (GB2000)**	41,369	32,480	41,369	41,369
49	**XM320 Grenade Launcher Module (GO1501)**	4,471	4,234	4,471	4,471

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

PROCUREMENT OF AMMUNITION, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
2800 PROCUREMENT OF AMMUNITION, ARMY			
2900 7.62MM ALL TYPES	25,000	25,000	25,000
2950 CTG, .50 CAL, ALL TYPES	39,300	39,300	39,300
3000 20MM ALL TYPES	38,100	38,100	38,100
3050 25MM ALL TYPES	15,000	15,000	15,000
3100 30MM ALL TYPES	40,000	40,000	40,000
3150 40MM ALLTYPES	165,200	165,200	165,200
3200 CTG, TANK, 120MM TACTICAL, ALL TYPES	8,000	8,000	8,000
3250 MACS	20,000	20,000	20,000
3300 MINE CLEARING CHARGE ALL TYPES	6,000	6,000	6,000
3350 SHOULDER FIRED ROCKETS ALL TYPES	30,000	30,000	30,000
3400 ROCKET, HYDRA 70, ALL TYPES	28,000	28,000	28,000
3450 DEMOLITION MUNITIONS ALL TYPES	23,500	23,500	23,500
3500 GRENADES ALL TYPES	2,000	2,000	2,000
3550 SIGNALS ALL TYPES	163,900	163,900	163,900
3600 SIMULATORS ALL TYPES	12,000	12,000	12,000
3650 NON-LETHAL AMMUNITION ALL TYPES	55,500	55,500	55,500
3700 ITEMS LESS THAN $5M	10,000	10,000	10,000
3750 TOTAL, PROCUREMENT OF AMMUNITION, ARMY	681,500	681,500	681,500

OTHER PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
3800 OTHER PROCUREMENT, ARMY			
3850 TACTICAL TRAILERS/DOLLY SETS (DA0100)	4,977	11,417	11,417
3900 SEMITRAILERS, FLATBED: (D01001)	8,234	27,544	27,544
3950 SEMITRAILERS, TANKERS (D02001)	6,173	---	6,173
4000 HI MOB MULTI-PURP WLHD (HMMWV) (D15400)	866,791	953,548	953,548
4300 FAMILY OF MEDIUM TACTICAL VEH (FMTV) (D15500)	1,610,692	1,471,661	1,541,661
4350 FAMILY OF HEAVY TACTICAL VEH (FTHV) (DA0500)	572,762	574,432	574,432
4450 ARMORED SECURITY VEHICLES (ASV) (D02800)	301,498	301,498	301,498
4500 TRUCK, TRACTOR, LIN HAUL, M915/M915 (DA0600)	5,448	181,873	181,873
4650 MODIFICATION OF IN SVC EQUIP (DA0924)	1,159,889	1,159,889	1,159,889
4700 PASSENGER CARRYING VEHICLES (D23000)	6,149	---	---
4750 NON TACTICAL VEHICLES, OTHER (D3000)	133,072	193,721	193,721
4760 ADD-ON ARMOR FOR COMMERCIAL VEHICLES	---	7,400	7,400
4800 DEFENSE ENTERPRISE WIDEBAND SATCOM SYS (SPACE) (BB8500	19,200	19,200	19,200
4850 SAT TERM, EMUT (SPACE) (K77200)	17,600	17,600	17,600
4950 NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE) (K47800)	32,532	34,398	34,398
5000 SMART-T (SPACE) (BC4002)	8,960	8,960	8,960
5050 GLOBAL BRDCST SVC - GBS (BC4120)	1,800	1,800	1,800
5100 MOD OF IN-SVC EQUIP (TAC SAT) (BB8417)	12	12	12
5150 ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO) (BU1400)	58,127	58,127	58,127
5200 SINCGARS FAMILY (BW0006)	532,544	433,250	458,709
5250 BRIDGE TO FUTURE NETWORKS (BB1500)	390,723	390,723	390,723
5300 COMBAT SURVIVOR EVADER LOCATOR (CSEL) (B03200)	49,360	49,360	49,360
5350 RADIO, IMPROVED HF (COTS) FAMILY (BU8100)	461,608	509,260	509,260

	(In thousands of dollars) House	Senate	Conference
5450 MEDICAL COMM FOR CBT CASUALTY CARE (MC4) (MA8046).....	56,997	56,997	56,997
5500 TSEC - ARMY KEY MGT SYS (AKMS) (BA1201).....	313	1,517	1,517
5550 INFORMATION SYSTEM SECURITY PROGRAM-ISSP (TA0600).....	78,496	55,201	55,201
5600 INFORMATION SYSTEMS (BB8650).....	1,000	1,000	1,000
5650 ALL SOURCE ANALYSIS SYS (ASAS) (MIP) (KA4400).....	40,800	40,858	40,858
5700 JTT/CIBS-M (MIP) (V29600).....	840	840	840
5750 PROPHET GROUND (MIP) (BZ7326).....	23,000	23,000	23,000
5800 TACTICAL UNMANNED AERIAL SYS (TUAS)MIP (B00301).....	197,479	197,479	197,479
5950 SMALL UNMANNED AERIAL SYSTEM (SUAS) (B00303).....	5,372	5,372	5,372
6000 DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (MIP) (KA2550).....	17,000	17,000	17,000
6050 TACTICAL EXPLOITATION SYSTEM (MIP) (BZ7317).....	19,500	19,500	19,500
6100 DCGS-A (MIP) (BZ7316).....	67,105	69,705	69,705
6150 CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS) (MIP) (BK5275	1,928	1,928	1,928
6200 ITEMS LESS THAN $5.0M (MIP) (BK5278).....	33,827	33,827	33,827
6250 LIGHTWEIGHT COUNTER MORTAR RADAR (B05201).....	10,470	10,470	10,470
6300 WARLOCK (VA8000).....	---	13,250	---
6350 COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES (BL5283).	206,233	206,233	206,233
6400 NIGHT VISION DEVICES (KA3500).....	131,339	144,696	144,696
6450 LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM (K38300)	14,073	14,073	14,073
6500 NIGHT VISION, THERMAL WPN SIGHT (K22900).....	86,701	109,547	109,547
6550 ARTILLERY ACCURACY EQUIP (AD3200).....	3,500	3,500	3,500
6600 PROFILER (K27900).....	16,195	16,195	16,195
6650 MOD OF IN-SVC EQUIP (FIREFINDER RADARS) (BZ7325).....	64,556	64,556	64,556
6700 FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2) (W61900).	307,800	347,295	347,295
6750 LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLDR) (K3110	91,200	91,200	91,200
6800 COMPUTER BALLISTICS: LHMBC XM32 (K99200).....	11,446	11,446	11,446
6850 MORTAR FIRE CONTROL SYSTEM (K99300).....	3,474	---	---
6900 TACTICAL OPERATIONS CENTERS (BZ9865).....	162,472	162,472	162,472
6950 AFATDS.....	6,878	3,378	3,378
7000 LWTFDS.....	23	23	23

	(In thousands of dollars) House	Senate	Conference
7050 BATTLE COMMAND SUSTAINMENT SUPPORT SYSTEM (BCS3) (W346	1,249	1,249	1,249
7100 FAAD C2 (AD5050)	21,500	21,500	21,500
7150 AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD PCS)	65,248	65,248	65,248
7200 FED	8,514	8,514	8,514
7250 KNIGHT FAMILY (B78504)	3,488	3,488	3,488
7300 LIFE CYCLE SOFTWARE SUPPORT (LCSS) (BD3955)	3,316	3,316	3,316
7350 LOGTECH	24,000	24,000	24,000
7400 TC AIMS II (BZ8900)	12,403	32,403	12,403
7450 TACTICAL INTERNET MANAGER (B93900)	12,472	12,472	12,472
7500 MANEUVER CONTROL SYSTEM (MCS) (BA9320)	58,654	58,654	58,654
7550 SINGLE ARMY LOGISTICS ENTERPRISE (SALE) (W10801)	94,036	---	---
7600 AUTOMATED DATA PROCESSING EQUIP (BD3000)	12,100	12,100	12,100
7650 CSS COMMUNICATIONS (BD3501)	37,423	74,857	37,423
7750 CBRN SOLDIER PROTECTION (M01001)	134,830	134,830	134,830
7800 SMOKE & OBSCURANT FAMILY: SOF (NONAAO ITEM) (MX0600)	107	107	107
7850 TACTICAL BRIDGE (MX0100)	26,000	26,000	26,000
7900 TACTICAL BRIDGE, FLOAT-RIBBON (MA8890)	13,000	13,000	13,000
7950 HANDHELD STANDOFF MINE DETECTION SYSTEM (R68200)	5,551	5,551	5,551
8000 GRND STANDOFF MINE DETECTION SYSTEMS (R68200)	689,640	939,640	1,386,640
8050 EXPLOSIVE ORDNANCE DISPOSAL EQUIP (MA9200)	6,600	6,600	6,600
8100 HEATERS AND ECU'S (MF9000)	12,772	12,772	12,772
8150 LAUNDRIES, SHOWERS, AND LATRINES (M82700)	12,300	12,300	12,300
8250 SOLDIER ENHANCEMENT (MA6800)	9,662	9,662	9,662
8300 FIELD FEEDING EQUIPMENT (M65800)	7,032	7,032	7,032
8350 ITEMS LESS THAN $5M (ENG SPT) (ML5301)	611	611	611
8400 QUALITY SURVEILLANCE EQUIPMENT (MB6400)	42,220	42,220	42,220
8450 DISTRIBUTION SYSTEMS, PETROLEUM & WATER (MA6000)	3,093	3,283	3,283
8500 WATER PURIFICATION SYSTEMS (R05600)	9,401	9,401	9,401
8550 COMBAT SUPPORT MEDICAL (MN1000)	24,579	20,579	24,579
8600 SHOP EQ CONTACT MAINTENANCE TRK MTD (M61500)	52,474	52,474	52,474
8650 WELDING SHOP, TRAILER MTD (M62700)	7,171	7,171	7,171

	(In thousands of dollars) House	Senate	Conference
8700 ITEMS LESS THAN $5.0M (MAINT EQ) (ML5345)	68,912	67,912	67,912
8800 LOADERS (R04500)	145	145	145
8850 HYDRAULIC EXCAVATOR (X01500)	10	10	10
8900 TRACTOR FULL TRACKED (M05800)	1,435	1,435	1,435
8950 CRANES (M06700)	25	25	25
9000 HIGH MOBILITY ENGINEER EXCAVATOR (HMEE) FOS (R05901)	7,740	7,740	7,740
9050 ITEMS LESS THAN $5.0M (CONST. EQUIP)	1,487	1,487	1,487
9150 GENERATORS AND ASSOCIATED EQUIP (MA9800)	62,992	50,792	50,792
9200 ROUGH TERRAIN CONTAINER HANDLER (M41200)	15,400	---	---
9250 ALL TERRAIN LIFTING ARMY SYSTEM (M41800)	4,809	5,548	5,548
9300 COMBAT TRAINING CENTERS (CTC) SUPPORT (MA6601)	309	309	309
9350 TRAINING DEVICES, NONSYSTEM (NA0100)	15,819	15,819	15,819
9400 CALIBRATION SETS EQUIPMENT (N1000)	17,100	17,100	17,100
9450 INTEGRATED FAMILY OF TEST EQUIPMENT (MB4000)	96,303	96,303	96,303
9500 TEST EQUIPMENT MODERNIZATION (TEMOD) (N11000)	10,920	10,920	10,920
9550 RAPID EQUIPPING SOLDIER SUPPORT EQUIP (M80101)	20,036	20,036	20,036
9600 PHYSICAL SECURITY SYSTEMS (OPA3) (MA0780)	152,678	152,678	152,678
9650 MODIFICATION OF IN-SVC EQUIP (OPA3) (MA4500)	9,917	---	4,917
9700 BUILDING PRE-FAB RELOCATABLE (MA9160)	93,603	93,603	93,603
9750 INITIAL SPARES FOR LARGE AREA SMOKE OBSCURANT SYS. (M5	948	948	948
9800 SEQUOYAH FOREIGN LANGUAGE TRANSLATION SYSTEM (B88605)	12,813	12,813	12,813
9850 COUNTER-ROCKET ARTILLERY & MORTAR (CRAM)	245,000	245,000	245,000
9900 FIRE SUPPORT C2 FAMILY (B28501)	987	987	987
9950 CLASSIFIED PROGRAMS	527	527	527
10000 AMC CRITICAL ITEMS	37,870	37,870	37,870
10150 TOTAL, OTHER PROCUREMENT, ARMY	10,197,399	10,589,272	11,076,137

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
1	**Tactical Trailers/Dolly Sets (DA0100)**	11,417	4,977	11,417	11,417
2	**Semitrailers, Flatbed: (D01001)**	31,544	8,234	27,544	27,544
	Premature Funding Request			-4,000	-4,000
3	**Semitrailers, Tankers (D02001)**	24,165	6,173	0	6,173
	Premature Funding Request			-24,165	-17,992
4	**HMMWV (D15400)**	953,548	866,791	953,548	953,548
5	**Family of Medium Tactical Vehicles (FMTV) (D15500)**	1,616,661	1,610,692	1,471,661	1,541,661
	Stabilize Production Rate			-145,000	-75,000
7	**Family of Heavy Tactical Vehicles (FMTV) (DA0500)**	574,432	572,762	574,432	574,432
10	**Truck, Tractor, Line Haul, M915/M916 (DA0600)**	181,873	5,448	181,873	181,873
17	**Passenger Carrying Vehicles (D23000)**	6,149	6,149	0	0
	Funded in IFF			-6,149	-6,149
18	**Non Tactical Vehicles, Other (D3000)**	203,572	133,072	193,721	193,721
	Funded in IFF			-9,851	-9,851
NEW	**Add-On Armor for Commercial Vehicles**	7,400	0	7,400	7,400
25	**Navstar Global Positioning System (K47800)**	34,398	32,532	34,398	34,398
34	**SINCGARS Family (BW0006)**	533,709	532,544	433,250	458,709
	Unexecutable Request			-100,459	-75,000
42	**Radio, Improved HF (COTS) Family (BU8100)**	509,260	461,608	509,260	509,260
45	**TSEC - Army Key Mgt Sys (BA1201)**	1,517	313	1,517	1,517
46	**Information System Security Program (TA0600)**	78,501	78,496	55,201	55,201
	Transfer to RDT&E, A, line 174 for Execution			-23,300	-23,300
52	**Information Systems**	13,200	1,000	1,000	1,000
	Information Systems Equipment Adjustment		-12,200		-12,200
	Excess to Need			-12,200	0
59	**All Source Analysis Sys (MIP) (KA4400)**	40,858	40,800	40,858	40,858
67	**DCGS-A (MIP) (BZ7316)**	69,705	67,105	69,705	69,705
74	**Warlock**	13,250	0	13,250	0
	Duplicates funding provided in Joint Improvised Explosive Device Defeat Fund		-13,250		-13,250

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
77	**Night Vision Devices (KA3500)**	**144,696**	**131,339**	**144,696**	**144,696**
80	**Night Vision, Thermal Weapon Sight (K22900)**	**109,547**	**86,701**	**109,547**	**109,547**
89	**Force XXI Battle Command Brigade & Below**	**347,295**	**307,800**	**347,295**	**347,295**
92	**Mortar Fire Control System (K99300)**	**3,474**	**3,474**	**0**	**0**
	Slow Execution			-3,474	-3,474
96	**AFATDS**	**6,878**	**6,878**	**3,378**	**3,378**
	Baseline Budget Requirement			-3,500	-3,500
106	**TC AIMS II**	**32,403**	**12,403**	**32,403**	**12,403**
	Defer non-emergency TC AIMS II procurement		-20,000		-20,000
110	**Single Army Logistics Enterprise (SALE)**	**0**	**94,036**	**0**	**0**
	Defer non-emergency STAMIS Tactical Computers upgrades		-82,000		0
115	**CSS Communications (BD3501)**	**74,857**	**37,423**	**74,857**	**37,423**
	Defer non-emergency upgrades in CSS Communications		-37,000		-37,434
129	**Ground Standoff Mine Detection Systems (R68200)**	**939,640**	**689,640**	**939,640**	**1,386,640**
	Mine Resistant Ambush Protected (MRAP) Vehicles				447,000
144	**Distribution Systems, Petroleum & Water (MA6000)**	**3,283**	**3,093**	**3,283**	**3,283**
146	**Combat Support Medical (MN1000)**	**20,579**	**24,579**	**20,579**	**24,579**
	Medical Equipment Modernization and Replacement		4,000		4,000
149	**Items Less than $5 Million (Maint Eq) (ML5345)**	**67,912**	**68,912**	**67,912**	**67,912**
165	**Generators and Associated Equipment (MA9800)**	**50,792**	**62,992**	**50,792**	**50,792**
166	**Rough Terrain Container Handler (M41200)**	**15,400**	**15,400**	**0**	**0**
	Premature Funding Request			-15,400	-15,400
167	**All Terrain Lifting Arm System (M41800)**	**5,548**	**4,809**	**5,548**	**5,548**
179	**Modification of In-Service Equipment (MA4500)**	**9,917**	**9,917**	**0**	**4,917**
	Baseline Budget Requirement			-9,917	-5,000

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SINGLE CHANNEL GROUND AND AIRBORNE RADIO SYSTEM (SINCGARS) FAMILY

The conferees are concerned that the Army may not be using all the available and qualified industrial capacity to deliver funded quantities of SINCGARS radios to units in the field. The conferees strongly encourage the Army to pursue aggressively the necessary

industrial capacity to produce the needed SINCGARS radios and to equip the units of the Army, including the Army Reserve Components, in a timely manner. The conferees recommend $458,709,000 for SINCGARS radios, a reduction of $75,000,000 from the amended budget request. Additionally, $175,000,000 of the amount provided may not be obligated by the Army until 15 days after the Secretary of the Army provides a report to the congressional defense committees that includes an evaluation of SINCGARS capable commercial off-the-shelf tactical radios that can meet operational needs and that explains the Army's strategy to leverage available industrial capacity in order to produce the needed radios at a significantly faster rate.

AIRCRAFT PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
10200 AIRCRAFT PROCUREMENT, NAVY			
11350 EA-18G	83,000	75,000	75,000
11400 F/A-18E/F (FIGHTER) HORNET (MYP)	208,000	16,000	208,000
11450 UH-1Y/AH-1Z	---	50,000	50,000
11460 C-12	---	21,000	21,000
11500 EA-6 SERIES	178,495	178,495	178,495
11550 AV-8 SERIES	9,850	9,850	9,850
11600 F-18 SERIES	85,614	96,814	90,014
11650 H-46 SERIES	49,905	70,505	70,505
11700 AH-1W SERIES	21,100	42,200	21,100
11750 H-53 SERIES	181,848	181,848	181,848
11800 SH-60 SERIES	15,956	15,956	15,956
11850 H-1 SERIES	18,007	18,007	18,007
11900 P-3 SERIES	18,800	24,300	18,800
11950 E-2 SERIES	7,000	7,000	7,000
12000 C-130 SERIES	29,815	29,815	29,815
12050 CARGO/TRANSPORT ACFT SERIES	4,259	4,259	4,259
12100 SPECIAL PROJECT ACFT	5,120	5,120	5,120
12150 AVIATION LIFE SUPPORT MODS	486	486	486
12200 COMMON ECM EQUIPMENT	42,900	92,900	71,900
12250 V-22 (TILT/ROTOR ACFT) OSPREY SERIES	3,510	---	---
12300 SPARES AND REPAIR PARTS	29,332	21,548	10,332
12350 COMMON GROUND EQUIPMENT	2,800	2,800	2,800
12400 TOTAL, AIRCRAFT PROCUREMENT, NAVY	995,797	963,903	1,090,287

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
2	**EA-18G**	**75,000**	**83,000**	**75,000**	**75,000**
	Fund 1 EA-6B combat loss replacement		-367,000		0
4	**F/A-18E/F (Fighter) Hornet (MYP)**	**16,000**	**208,000**	**16,000**	**208,000**
	3 F/A-18's combat loss replacements		192,000		192,000
9	**UH-1Y/AH-1Z**	**50,000**	**0**	**50,000**	**50,000**
	NRE for AH-1Z new build aircraft		-50,000		0
16A	**C-12**	**0**	**0**	**21,000**	**21,000**
	2 C-12 Aircraft for USMC (ASE for USMC)			21,000	21,000
28	**F-18 Series**	**96,814**	**85,614**	**96,814**	**90,014**
	JHMCS modification - requires R&D funding		-3,400		-3,400
	Station 4 integration - incomplete effort		-7,800		-3,400
29	**H-46 Series**	**28,805**	**49,905**	**70,505**	**70,505**
	CH-46E IR Engine Suppression (ASE for USMC)		11,700	22,700	22,700
	CH-46E Wire Strike (ASE for USMC)		4,500	9,100	9,100
	CH-46E Countermeasures (ALE-47) (ASE for USMC)		3,600	7,200	7,200
	CH-46E Ramp Mounted Weapon System (ASE)		1,300	2,700	2,700
30	**AH-1W Series**	**42,200**	**21,100**	**42,200**	**21,100**
	Fund installations through FY 2009 only		-21,100		-21,100
31	**H-53 Series**	**46,848**	**181,848**	**181,848**	**181,848**
	DIRCM protection upgrades (ASE for USMC)		135,000	135,000	135,000
35	**P-3 Series**	**24,300**	**18,800**	**24,300**	**18,800**
	Non-emergency obsolesence upgrades		-5,500		-5,500
50	**Common ECM Equipment**	**34,900**	**42,900**	**92,900**	**71,900**
	Non-emergency obsolesence and testing upgrades		-21,000		-21,000
	AAR-47B(V) (Rotary Wing Common ECM) (ASE)		29,000	58,000	58,000
54	**V-22 (Tilt/Rotor Acft) Osprey Series**	**3,510**	**3,510**	**0**	**0**
	Change to program plan			-3,510	-3,510
55	**Spares and Repair Parts**	**40,548**	**29,332**	**21,548**	**10,332**
	Support facilities		-11,216		-11,216
	SHARP Spares - buying ahead of need			-19,000	-19,000

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WEAPONS PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

		(In thousands of dollars) House	Senate	Conference
12450	WEAPONS PROCUREMENT, NAVY			
12600	JT STANDOFF WEAPON (JSOW)	8,000	---	---
12650	HELLFIRE	400	400	400
12700	SMALL ARMS AND WEAPONS	72,113	72,113	72,113
12750	GUN MOUNT MODS	72,000	72,000	72,000
12800	MARINE CORPS TACTICAL UNMANNED AERIAL SYSTEM	19,300	19,300	19,300
12850	TOTAL, WEAPONS PROCUREMENT, NAVY	171,813	163,813	163,813

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request [1/]	House [2/]	Senate	Conference
7	**JT Standoff Weapon (JSOW)**	**8,000**	**8,000**	**0**	**0**
	JSOW unjustified request			-8,000	-8,000

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PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
12900 PROCUREMENT OF AMMO, NAVY & MARINE CORPS			
12950 AIRBORNE ROCKETS, ALL TYPES	15,553	15,553	15,553
13000 AIR EXPENDABLE COUNTERMEASURES	7,966	7,966	7,966
13050 5 INCH/54 GUN AMMUNITION	11,000	11,000	11,000
13100 INTERMEDIATE CALIBER GUN AMMO	27	27	27
13150 OTHER SHIP GUN AMMUNITION	18,412	18,412	18,412
13200 SMALL ARMS & LNDG PARTY AMMO	21,862	21,862	21,862
13250 PYROTECHNIC AND DEMOLITION	274	274	274
13300 5.56 MM, ALL TYPES	4,658	4,658	4,658
13350 7.62 MM, ALL TYPES	2,132	2,132	2,132
13400 LINEAR CHARGES, ALL TYPES	2,412	2,412	2,412
13450 .50 CALIBER	2,420	2,420	2,420
13500 40 MM, ALL TYPES	4,093	4,093	4,093
13550 60 MM, ALL TYPES	9,864	9,864	9,864
13600 81 MM, ALL TYPES	10,088	10,088	10,088
13650 120 MM, ALL TYPES	7,779	7,779	7,779
13700 CTG 25 MM, ALL TYPES	80	80	80
13750 9 MM ALL TYPES	155	155	155
13800 GRENADES, ALL TYPES	1,138	1,138	1,138
13850 ROCKETS, ALL TYPES	5,125	5,125	5,125
13900 ARTILLERY, ALL TYPES	13,045	13,045	13,045
13950 DEMOLITION MUNITIONS, ALL TYPES	705	705	705
14000 FUZE, ALL TYPES	661	661	661
14050 NON LETHALS	4,891	4,891	4,891
14100 AMMO MODERNIZATION	15,394	15,394	15,394
14150 ITEMS LESS THAN $5 MILLION	99	99	99
14200 TOTAL, PROCUREMENT AMMUNITION, NAVY	159,833	159,833	159,833

OTHER PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

		(In thousands of dollars) House	Senate	Conference
14250	OTHER PROCUREMENT, NAVY			
14500	CHEMICAL WARFARE DETECTORS	436	436	436
14550	STANDARD BOATS	35,614	35,614	35,614
14600	TACTICAL SUPPORT CENTER	5,850	5,850	5,850
14650	SHIPBOARD IW EXPLOIT	45,750	45,750	45,750
14700	GCCS-M EQUIPMENT	6,966	6,966	6,966
14750	MATCALS	10,890	10,890	10,890
14800	PORTABLE RADIOS	75,850	25,850	25,850
14850	SHIP COMMUNICATIONS AUTOMATION	5,784	5,784	5,784
14900	COMMUNICATIONS ITEMS UNDER $5M	10,777	10,777	10,777
14950	NAVAL SHORE COMMUNICATIONS	1,077	1,077	1,077
15000	METEOROLOGICAL EQUIPMENT	---	7,497	---
15050	AVIATION LIFE SUPPORT	3,300	3,300	3,300
15100	GENERAL PURPOSE TRUCKS	961	---	---
15150	CONSTRUCTION & MAINTENANCE EQUIPMENT	225,261	173,861	199,561
15200	FIRE FIGHTING EQUIPMENT	700	700	700
15250	TACTICAL VEHICLES	258,890	207,290	215,330
15300	ITEMS UNDER $5 MILLION	28,446	28,446	28,446
15350	MATERIALS HANDLING EQUIPMENT	46,810	46,810	46,810
15400	SPECIAL PURPOSE SUPPLY SYSTEMS	5,900	5,900	5,900
15450	COMMAND SUPPORT EQUIPMENT	54,639	28,720	28,720
15500	INTELLIGENCE SUPPORT EQUIPMENT	8,400	8,400	8,400
15550	OPERATING FORCES SUPT EQUIP	33,500	25,500	25,500
15600	PHYSICAL SECURITY EQUIPMENT	42,684	8,166	8,166
15650	SPARES AND REPAIR PARTS	28,922	28,922	28,922
15750	TOTAL, OTHER PROCUREMENT, NAVY	937,407	722,506	748,749

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
1	**LM-2500 Gas Turbine**	**0**	**0**	**0**	**0**
	Non-emergency Digital Fuel Control upgrade		-970		0
2	**Allison 501K Gas Turbine**	**0**	**0**	**0**	**0**
	Non-emergency Digital Controls upgrade		-4,000		0
73	**Portable Radios**	**40,850**	**75,850**	**25,850**	**25,850**
	ELMR - Baseline Budget requirement			-15,000	-15,000
93	**Meteorological Equipment**	**7,497**	**0**	**7,497**	**0**
	Non-emergency NITES upgrades		-7,497		-7,497
122	**Construction & Maint Equip**	**173,861**	**225,261**	**173,861**	**199,561**
	Seabee equipment		51,400		25,700
124	**Tactical Vehicles**	**207,290**	**258,890**	**207,290**	**215,330**
	Mine Resistant Ambush Protected (MRAP) Vehicles		51,600		8,040
134	**Command Support Equipment**	**36,639**	**54,639**	**28,720**	**28,720**
	NMCMPS			-7,919	-7,919
138	**Operating Forces Supt Equip**	**25,500**	**33,500**	**25,500**	**25,500**
					0
141	**Physical Security Equipment**	**8,166**	**42,684**	**8,166**	**8,166**
					0

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PROCUREMENT, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
15800 PROCUREMENT, MARINE CORPS			
15850 AAV7A1 PIP	48,352	48,352	48,352
16050 M1A1 FIREPOWER ENHANCEMENTS	4,470	4,470	4,470
16100 HIGH MOBILITY ARTILLERY ROCKET SYSTEM	20,571	20,571	20,571
16150 WPNS & CMBT VEHS UNDER $5 MILLION	16,162	16,162	16,162
16200 MODULAR WEAPON SYSTEM	2,589	2,589	2,589
16250 WEAPONS ENHANCEMENT PROGRAM	21,170	21,170	21,170
16300 JAVELIN	1,200	1,200	1,200
16400 MODIFICATION KITS	34,623	34,623	34,623
16650 UNIT OPERATIONS CENTER	57,100	57,100	57,100
16700 REPAIR AND TEST EQUIPMENT	5,214	5,214	5,214
16750 COMBAT SUPPORT SYSTEM	85	85	85
16800 MODIFICATION KITS	16,571	16,571	16,571
16850 AIR OPERATIONS C2 SYSTEMS	56,800	---	---
16900 RADAR SYSTEMS	20,900	20,900	20,900
16950 FIRE SUPPORT SYSTEM	21,282	21,282	21,282
17000 INTELLIGENCE SUPPORT EQUIPMENT	32,073	32,073	32,073
17050 NIGHT VISION EQUIPMENT	73,431	73,431	73,431
17100 COMMON COMPUTER RESOURCES	27,631	27,631	27,631
17150 COMMAND POST SYSTEMS	18,083	18,083	18,083
17200 RADIO SYSTEMS	263,278	147,084	111,084
17250 COMM SWITCHING & CONTROL SYSTEMS	7,273	7,273	7,273
17300 COMM & ELEC INFRASTRUCTURE SUPT	1,606	1,606	1,606
17350 5/4T TRUCK HMMWV (MYP)	69,985	69,985	69,985

	(In thousands of dollars) House	Senate	Conference
17400 MOTOR TRANSPORT MODIFICATIONS	52,000	52,000	52,000
17450 MEDIUM TACTICAL VEH REPL	26,215	26,215	26,215
17500 LOGISTICS VEHICLE SYSTEM REP	16,800	16,800	16,800
17550 FAMILY OF TACTICAL TRAILERS	2,818	2,818	2,818
17600 ITEMS LESS THAN $5 MILLION	2,370	2,370	2,370
17650 ENV CNTRL EQUIP ASSORTED	143	143	143
17700 BULK LIQUID EQUIPMENT	28	28	28
17750 TACTICAL FUEL SYSTEMS	168	168	168
17800 POWER EQUIPMENT ASSORTED	364	364	364
17850 EOD SYSTEMS	480,664	730,664	1,316,024
17855 MRAP	259,000	---	---
18000 MATERIAL HANDLING EQUIP	40,000	40,000	40,000
18050 FIELD MEDICAL EQUIPMENT	692	692	692
18100 TRAINING DEVICES	110,043	110,043	110,043
18150 CONTAINER FAMILY	2,172	2,172	2,172
18200 FAMILY OF CONSTRUCTION EQUIPMENT	45,000	45,000	45,000
18300 FAMILY OF INTERNALLY TRANS VEH (ITV)	7,875	7,875	7,875
18350 RAPID DEPLOYABLE KITCHEN	391	391	391
18500 ITEMS LESS THAN $5 MILLION	18,191	18,191	18,191
18700 TOTAL, PROCUREMENT, MARINE CORPS	1,885,383	1,703,389	2,252,749

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request [1/]	House [2/]	Senate	Conference
33	**Air Operations C2 Systems**	**56,800**	**56,800**	**0**	**0**
	Premature Request			-56,800	-56,800
50	**Radio Systems**	**299,278**	**263,278**	**147,084**	**111,084**
	E-Land Mobile Radios - Baseline budget requirement			-152,194	-152,194
	Communications Installs on US Navy Ships Program Delay		-36,000		-36,000
70	**EOD Systems**	**730,664**	**480,664**	**730,664**	**1,316,024**
	Mine Resistant Ambush Protected (MRAP) Vehicles				585,360
70A	**Mine Resistant Ambush Protected (MRAP) Vehicles**		**259,000**	**0**	**0**
	Mine Resistant Ambush Protected (MRAP) Vehicles		259,000		0
72	**Physical Security Equipment**	**143,332**	**0**	**0**	**0**
	Rapid Aerostat Initial Deployment (RAID)/Ground-Based Operational Surveillance System (G-BOSS)		-143,332	-143,332	-143,332

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AIRCRAFT PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
18750 AIRCRAFT PROCUREMENT, AIR FORCE			
18850 C -17	111,100	---	---
18900 C-130J	388,000	---	388,000
18950 CV-22 OSPREY	146,300	---	99,252
19000 PREDATOR UAV	487,900	398,700	443,700
19100 B-1	6,880	---	6,880
19150 A-10	239,486	163,886	163,886
19200 F-15	49,962	122,562	112,762
19250 C-5	54,300	5,600	35,600
19300 C-17	191,600	92,000	122,000
19350 C-37	112,400	112,400	112,400
19400 C-40	90,500	90,500	90,500
19450 C-130	296,363	222,663	252,663
19500 COMPASS CALL	23,700	23,700	23,700
19550 DARP	15,000	15,000	15,000
19600 E-8C	17,500	---	---
19650 OTHER AIRCRAFT	23,950	33,570	23,950
19700 INITIAL SPARES/REPAIR PARTS	2,480	2,480	2,480
19750 B-2A ICS	4,000	4,000	4,000
19800 OTHER PRODUCTION CHARGES	213,495	144,695	209,695
19850 TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE	2,474,916	1,431,756	2,106,468

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1		Budget Request [1/]	House [2/]	Senate	Conference
7	**C-17**	**111,100**	**111,100**	**0**	**0**
	Premature funding request			-111,100	-111,100
11	**C-130J**	**0**	**388,000**	**0**	**388,000**
	Five Aircraft				388,000
18	**CV-22 Osprey**	**0**	**146,300**	**0**	**99,252**
	One Aircraft				146,300
	Transfer to Procurement, Defense-Wide, Line 42, for CV-22 SOF Modifications				-47,048
25	**Predator UAV**	**398,700**	**487,900**	**398,700**	**443,700**
	Predator UAV		29,000		10,000
	Reaper UAV		60,200		35,000
27	**B-1**	**6,880**	**6,880**	**0**	**6,880**
	Premature funding request			-6,880	0
30	**A-10**	**249,786**	**239,486**	**163,886**	**163,886**
	Hellfire II Launch Rails		-10,000		0
	Unjustified request			-32,400	-32,400
	Premature funding request for missile rails and EIRCM			-53,500	-53,500
31	**F-15**	**191,962**	**49,962**	**122,562**	**112,762**
	AESA		-72,000		-9,200
	JHMCS		-70,000		-70,000
	Premature funding request			-69,400	0
35	**C-5**	**5,600**	**54,300**	**5,600**	**35,600**
	LAIRCM for C-5B Aircraft only		48,700		30,000
38	**C-17**	**92,000**	**191,600**	**92,000**	**122,000**
	LAIRCM		99,600		30,000
53	**C-130**	**222,663**	**296,363**	**222,663**	**252,663**
	LAIRCM		73,700		30,000
61	**E-8C**	**17,500**	**17,500**	**0**	**0**
	Premature funding request			-17,500	-17,500
65	**Other Aircraft**	**33,570**	**23,950**	**33,570**	**23,950**
	TARS Block 40/50 Modification		-4,320		-4,320
	TARS Initial Spares		-5,300		-5,300
80	**Other Production Charges**	**148,495**	**213,495**	**144,695**	**209,695**
	Classified Requirement		65,000		65,000
	Baseline budget requirement			-3,800	-3,800

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MISSILE PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

		(In thousands of dollars) House	Senate	Conference
19900	MISSILE PROCUREMENT, AIR FORCE			
19950	PREDATOR HELLFIRE MISSILE	104,300	78,900	78,900
20000	SMALL DIAMETER BOMB	36,000	---	16,000
20050	TOTAL, MISSILE PROCUREMENT, AIR FORCE	140,300	78,900	94,900

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1	Budget Request [1/]	House [2/]	Senate	Conference
6 Hellfire	**104,300**	**104,300**	**78,900**	**78,900**
Unexecutable request			-25,400	-25,400
7 Small Diameter Bomb	**36,000**	**36,000**	**0**	**16,000**
Unjustified request			-36,000	-20,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

PROCUREMENT OF AMMUNITION, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
20100 PROCUREMENT OF AMMUNITION, AIR FORCE			
20150 CARTRIDGES	19,100	---	---
20200 EXPLOSIVE ORDNANCE DISPOSAL (EOD)	3,000	3,000	3,000
20250 SMALL ARMS	73,700	3,000	3,000
20300 TOTAL, PROCUREMENT OF AMMUNITION, AIR FORCE	95,800	6,000	6,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1	Budget Request [1/]	House [2/]	Senate	Conference
2 Cartridges	**19,100**	**19,100**	**0**	**0**
Handgun Replacement Program - Baseline budget requirement			-19,100	-19,100
16 Small Arms	**73,700**	**73,700**	**3,000**	**3,000**
Handgun Replacement Program - Baseline budget requirement			-70,700	-65,700
Transfer to Operation & Maintenance, Defense-Wide, only for the Handgun Replacement Study				-5,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

HANDGUN REPLACEMENT PROGRAM

The supplemental request includes $89,800,000 to replace the Air Force M9 9mm handgun and associated ammunition. The conferees understand that the Army, Marine Corps, Navy, and Special Operations Command procure the M9 9mm handgun as their standard issue sidearm. Therefore, the conferees believe that a replacement or upgrade to the 9mm handgun should address joint requirements. Since this coordination did not occur prior to the supplemental budget submission, the conferees deny the requested funding for a single service replacement program. However, recognizing the importance of a reliable and lethal sidearm to the warfighter, the conferees provide $5,000,000 only for a study that examines joint sidearm requirements (including service-unique requirements, as appropriate), the M9 9mm handgun capabilities (including its lethality), and handgun and ammunition alternatives that address these requirements. The conferees understand that it will be necessary to purchase up to 50 handguns and associated ammunition to conduct this study. In order to inform deliberations on the fiscal year 2008 appropriations bill for the Department of Defense, the conferees direct that the results of the study be provided in a written report to the congressional defense committees by August 31, 2007.

OTHER PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

		(In thousands of dollars) House	Senate	Conference
20350	OTHER PROCUREMENT, AIR FORCE			
20500	PASSENGER CARRYING VEHICLES	360	360	360
20550	MEDIUM TACTICAL VEHICLE	30,300	30,300	154,140
20600	FIRE FIGHTING/CRASH RESCUE VEHICLES	23,213	18,888	18,888
20650	HALVORSEN LOADER	620	620	620
20700	RUNWAY SNOW REMOVAL AND CLEANING EQUIPMENT	400	400	400
20750	ITEMS LESS THAN $5 MILLION (VEHICLES)	4,440	4,440	4,440
20800	INTELLIGENCE COMM EQUIPMENT	16,600	16,600	16,600
20850	TRAFFIC CONTROL/LANDING	3,300	7,500	3,300
20900	NATIONAL AIRSPACE SYSTEM	---	9,000	9,000
20950	THEATER AIR CONTROL SYSTEM IMPROVEMENT	14,800	14,800	14,800
21000	WEATHER OBSERVATION FORECAST	2,433	2,433	2,433
21050	AIR FORCE PHYSICAL SECURITY SYSTEM	10,680	10,680	10,680
21100	AIR OPERATIONS CENTER (AOC)	1,250	1,250	1,250
21150	MILSATCOM SPACE	35,000	---	---
21200	TACTICAL CE EQUIPMENT	34,750	34,750	34,750
21250	COMBAT SURVIVOR EVADER LOCATER	44,010	44,010	44,010
21300	RADIO EQUIPMENT	5,400	5,400	5,400
21350	BASE COMM INFRASTRUCTURE	19,020	19,020	19,020
21400	COMM ELECT MODS	16,000	16,000	16,000
21450	NIGHT VISION GOGGLES	9,317	9,317	9,317
21500	BASE PROCURED EQUIPMENT	10,530	10,530	10,530
21550	AIR BASE OPERABILITY	7,200	7,200	7,200
21600	ITEMS LESS THAN $5 MILLION (BASE SUPPORT)	18,000	18,000	18,000
21650	DARP, MRIGS	21,607	21,607	21,607
21700	CLASSIFIED PROGRAMS	1,682,953	1,669,026	1,658,455
21710	OPERATION ENDURING FREEDOM OPTEMPO	30,000	---	15,000
21750	TOTAL, OTHER PROCUREMENT, AIR FORCE	2,042,183	1,972,131	2,096,200

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1		Budget Request 1/	House 2/	Senate	Conference
8	**Medium Tactical Vehicles**	30,300	30,300	30,300	154,140
	Mine Resistant Ambush Protected Vehicles				123,840
22	**Fire Fighting / Crash Rescue Vehicles**	23,213	23,213	18,888	18,888
	HAZMAT Vehicles - Baseline Budget Request			-4,325	-4,325
40	**Traffic Control/Landing**	7,500	3,300	7,500	3,300
	USAFE Instrument Landing System		-4,200		-4,200
41	**National Airspace System**	9,000	0	9,000	9,000
	Radar Approach Control for PACAF		-9,000		0
66	**MILSATCOM Space**	35,000	35,000	0	0
	GBS-RPRS Premature funding request			-35,000	-35,000
999	**Classified Programs**	1,750,324	1,712,953	1,669,026	1,658,455
	Program Adjustment		-37,371	-81,298	-91,869
	Operation Enduring Freedom OPTEMPO	0	30,000	0	15,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

GLOBAL BROADCAST SERVICE—RUCKSACK PORTABLE RECEIVE SUITE

The conferees understand that additional research and development would further reduce the weight of the Global Broadcast Service—Rucksack Portable Receive Suite (GBS–RPRS). Due to the premature request, the conferees deny funding for this item, without prejudice. The conferees encourage the Air Force to proceed with the development effort and intend to review the program should a request be received for funding in fiscal year 2008.

PROCUREMENT, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

		(In thousands of dollars) House	Senate	Conference
21800	PROCUREMENT, DEFENSE-WIDE			
22400	GLOBAL COMMAND AND CONTROL SYSTEM	3,142	3,142	3,142
22450	TELEPORT	3,670	3,670	3,670
22500	NET-CENTRIC ENTERPRISE SERVICES (NCES)	975	975	975
22550	DEFENSE INFORMATION SYSTEMS NETWORK (DISN)	5,324	5,324	5,324
22600	MAJOR EQUIPMENT, DLA	1,600	1,600	1,600
22650	MAJOR EQUIPMENT, TJS	32,700	59,450	32,700
22660	MH-47 SLEP	22,000	---	22,000
22670	CV-22 MODIFICATIONS	---	---	47,048
22700	C-130 MODS	49,833	49,833	49,833
22750	SOF ORDNANCE REPLENISHMENT	45,788	45,788	45,788
22800	SOF ORDNANCE ACQUISITION	54,976	51,376	53,176
22850	COMM EQPT & ELECTRONICS	58,032	78,342	78,342
22900	SOF INTELLIGENCE SYSTEMS	33,883	5,120	5,120
22950	SMALL ARMS AND WEAPONS	49,775	57,805	57,805
23000	SOF COMBATANT CRAFT SYSTEMS	30,500	16,900	16,900
23050	TACTICAL VEHICLES	108,550	129,340	165,100
23100	MISSION TRAINING AND PREPARATION SYS	5,300	---	5,300
23150	COMBAT MISSION REQUIREMENTS	150,000	150,000	150,000
23200	UNMANNED VEHICLES	76,231	107,731	107,731
23250	MISC EQUIPMENT	52,880	1,000	1,000
23300	SOF OPERATIONAL ENHANCEMENTS	86,653	65,678	65,678
23350	CLASSIFIED PROGRAMS	61,962	68,862	60,662
23400	CLASSIFIED PROGRAMS	1,156	1,156	1,156
23450	TOTAL, PROCUREMENT, DEFENSE-WIDE	934,930	903,092	980,050

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request [1/]	House [2/]	Senate	Conference
25	**Major Equipment, TJS**	**59,450**	**32,700**	**59,450**	**32,700**
	Request in excess of validated requirement		-26,750		-26,750
38	**MH-47 SLEP**	**0**	**22,000**	**0**	**22,000**
	MH-47 Mods for Battle-loss MH-47		22,000		22,000
42	**CV-22 SOF Modifications**				**47,048**
	CV-22 SOF Modifications (Transferred from AP,AF Line 18 for execution)				47,048
49	**SOF Ordnance Acquisition**	**54,976**	**54,976**	**51,376**	**53,176**
	SOPGM - Unexecutable request			-3,600	-1,800
50	**Comm Eqpt & Electronics**	**58,032**	**58,032**	**78,342**	**78,342**
	TACLAN - E - Unexecutable Request			-300	-300
	Forward Deployed Equipment - Transfer from Line 67			20,610	20,610
51	**SOF Intelligence Systems**	**33,883**	**33,883**	**5,120**	**5,120**
	MERLIN - Unjustified request			-29,983	-29,983
	Forward Deployed Equipment - Transfer from line 67			1,220	1,220
52	**Small Arms and Weapons**	**49,775**	**49,775**	**57,805**	**57,805**
	Forward Deployed Equipment - Transfer from Line 67			8,030	8,030
56	**SOF Combatant Craft Systems**	**30,500**	**30,500**	**16,900**	**16,900**
	IBS Upgrade - Unexecutable request			-13,600	-13,600
59	**Tactical Vehicles**	**108,550**	**108,550**	**129,340**	**165,100**
	Lightweight ATV - Unexecutable Request			-750	-750
	Forward Deployed Equipment - Transfer from Line 67			21,540	21,540
	Mine Resistant Ambush Protected (MRAP) Vehicles				35,760
60	**Mission Training and Preparation Systems**	**5,300**	**5,300**	**0**	**5,300**
	AC-130 BMC - Baseline budget request			-5,300	0
63	**Unmanned Vehicles**	**107,731**	**76,231**	**107,731**	**107,731**
	Program Reduction for undetermined needs		-31,500		0
67	**Misc Equipment**	**52,880**	**52,880**	**1,000**	**1,000**
	Forward Deployed Equipment - Transfer to Lines 50,51,52,59 for execution			-51,410	-51,410
	MK 5 Clamshell - Unexecutable request			-470	-470
69	**SOF Operational Enhancements**	**86,653**	**86,653**	**65,678**	**65,678**
	Program Adjustments			-20,975	-20,975
999	**Classified Programs**	**70,162**	**61,962**	**68,862**	**60,662**

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

NATIONAL GUARD AND RESERVE EQUIPMENT

The conference agreement provides funding for National Guard and Reserve Equipment for the Army National Guard in the Strategic Reserve Readiness Fund instead of in the National Guard and Reserve Equipment account as proposed by the Senate.

	(In thousands of dollars) House	Senate	Conference
23500 NATIONAL GUARD AND RESERVE EQUIPMENT			
23510 ARMY NATIONAL GUARD	---	1,000,000	---
23600 TOTAL, PROC., NATIONAL GUARD AND RESERVE EQUIPMENT	---	1,000,000	---

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
RECAPITULATION			
Research, Development, Test and Evaluation, Army	60,781	125,576	100,006
Research, Development, Test and Evaluation, Navy	295,737	308,212	298,722
Research, Development, Test and Evaluation, Air Force	132,928	233,869	187,176
Research, Development, Test and Evaluation, Defense-Wide	545,904	522,804	512,804
GRAND TOTAL	1,035,350	1,190,461	1,098,708

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
50 RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY			
100 COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	---	3,560	---
150 SOLDIER SUPPORT AND SURVIVABILITY	---	27,625	7,625
200 ALL SOURCE ANALYSIS SYSTEM (ASAS)	3,400	---	3,400
250 INFANTRY SUPPORT WEAPONS	8,158	8,158	8,158
300 AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE	38,900	38,900	38,900
400 MATERIEL SYSTEMS ANALYSIS	---	5,410	---
450 INFORMATION SYSTEMS SECURITY PROGRAM	---	31,600	31,600
550 TACTICAL WHEELED VEHICLE (TWV) PRODUCT	10,323	10,323	10,323
600 TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	60,781	125,576	100,006

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

R-1		Budget Request 1/	House 2/	Senate	Conference
34	**Combat Vehicle and Automotive Advanced Technology**	**3,560**	**0**	**3,560**	**0**
	Duplicates funding provided in Joint Improvised Explosive Device Defeat Fund		-3,560		-3,560
63	**Soldier Support and Survivability**	**27,625**	**0**	**27,625**	**7,625**
	Duplicates funding provided in Joint Improvised Explosive Device Defeat Fund		-27,625		-20,000
82	**ASAS - Human Tracking System**	**3,400**	**3,400**	**0**	**3,400**
	Unjustified Request			-3,400	0
102	**Automatic Test Equipment Development**	**6,500**	**0**	**0**	**0**
	Defer non-emergency development of aviation test equipment		-6,500		-6,500
	Unjustified request			-6,500	0
141	**Materiel Systems Analysis**	**5,410**	**0**	**5,410**	**0**
	Duplicates funding provided in Joint Improvised Explosive Device Defeat Fund		-5,410		-5,410
174	**Information Systems Security Program**	**8,300**	**0**	**31,600**	**31,600**
	Defer non-emergency development		-8,300		0
	Transfer from OPA, Line 46 for Execution			23,300	23,300
177	**WWMCCS/Global Command and Control System**	**3,800**	**0**	**0**	**0**
	Database interoperability applications for situational awareness		-3,800		-3,800
	Unjustified Request			-3,800	0

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
650 RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY			
1000 MARINE CORPS GRND CMBT/SUPT SYS	---	10,000	5,000
1050 TACTICAL CRYPTOLOGIC SYSTEMS	5,000	---	5,000
1060 OTHER HELO DEVELOPMENT	13,000	13,000	13,000
1070 H-1 UPGRADES	---	18,000	18,000
1100 V-22A	3,800	---	---
1150 ELECTRONIC WARFARE (EW) DEV	1,245	1,245	1,245
1200 MARINE CORPS PROGRAM WIDE SUPT	---	5,000	2,000
1250 HARM IMPROVEMENT	---	2,230	---
1300 AVIATION IMPROVEMENTS	---	500	500
1350 MARINE CORPS COMMS SYSTEMS	41,540	68,800	41,540
1400 MC GROUND CMBT SPT ARMS SYS	---	4,000	2,000
1450 MARINE CORPS CMBT SERVICES SUPT	15,566	14,851	14,851
1500 CLASSIFIED PROGRAMS	150,500	105,500	130,500
1550 MANNED RECONNAISSANCE SYS	65,086	65,086	65,086
1600 TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	295,737	308,212	298,722

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

R-1	Budget Request [1/]	House [2/]	Senate	Conference
58 Marine Corps Ground Combat/Support System	**36,800**	**0**	**10,000**	**5,000**
Joint Light Tactical Vehicle (JLTV)		-36,800	-26,800	-31,800
140 Tactical Cryptologic Systems	**5,000**	**5,000**	**0**	**5,000**
Unjustified request			-5,000	0
84 Other Helo Development	**0**	**13,000**	**13,000**	**13,000**
DIRCM Integration (ASE for USMC)		1,000	1,000	1,000
NRE for LW/DIRCM (ASE for USMC)		12,000	12,000	12,000
93 H-1 Upgrades	**0**	**0**	**18,000**	**18,000**
Aircraft survivability (DIRCM) for H-1(ASE for USMC)			18,000	18,000
95 V-22A	**3,800**	**3,800**	**0**	**0**
Excess to need			-3,800	-3,800
158 Marine Corps Program Wide Supt	**10,100**	**0**	**5,000**	**2,000**
Program Wide Support		-10,100	-5,100	-8,100
179 Harm Improvement	**2,230**	**0**	**2,230**	**0**
Defer Thermobaric Modification		-2,230		-2,230
183 Aviation Improvements	**500**	**0**	**500**	**500**
Aircraft mooring		-500		0
186 Marine Corps Communications Systems	**165,348**	**41,540**	**68,800**	**41,540**
C2PC		-14,000		0
Commom Operations Center		-18,000		0
Battle Tracking Identification Systems		-1,500		0
G-BOSS (funded in JIEDDO)		-30,000		0
GCSS-MC		-8,900		0
CREW (funded in JIEDDO)		-7,000		0
G/ATOR		-19,508		0
MCEITS		-2,400		0
CAC2S		-29,500		0
Funds near-term deliverables			-96,548	-123,808
187 Marine Corps Ground Combat Support Arms System	**4,000**	**0**	**4,000**	**2,000**
Ground Weaponry PIP		-4,000		-2,000
188 Marine Corps Cmbt Services Supt	**15,566**	**15,566**	**14,851**	**14,851**
Funds near-term deliverables			-715	-715
xx Classified Programs	**150,500**	**150,500**	**105,500**	**130,500**
Classified Program Adjustment			-45,000	-20,000

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 20007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
1650 RESEARCH, DEVELOPMENT, TEST & EVAL, AF			
1700 INTEGRATED BROADCAST SERVICE	9,000	4,000	4,000
1750 B-1B	17,030	17,030	17,030
1800 SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	2,000	2,000	2,000
1850 B-52 SQUADRONS	---	24,500	24,500
1900 A-10 SQUADRONS	---	10,000	10,000
1950 MISSION PLANNING SYSTEMS	13,300	13,300	13,300
2000 DRAGON U-2 (JMIP)	---	660	---
2050 AIRBORNE RECONNAISSANCE SYSTEMS	---	6,000	---
2100 MANNED RECONNAISSANCE SYSTEMS	20,540	20,540	20,540
2150 PREDATOR UAV (JMIP)	20,000	20,000	20,000
2200 GLOBAL HAWK UAV	---	19,033	---
2250 CLASSIFIED PROGRAMS	51,058	96,806	75,806
2300 TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, AF	132,928	233,869	187,176

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

R-1		Budget Request [1/]	House [2/]	Senate	Conference
50	**Integrated Broadcast Service**	**9,000**	**9,000**	**4,000**	**4,000**
	CO-GINS Funding ahead of need			-5,000	-5,000
121	**B-52 Squadrons**	**24,500**	**0**	**24,500**	**24,500**
	ATP Integration		-24,500		0
129	**A-10 Squadrons**	**10,000**	**0**	**10,000**	**10,000**
	Hellfire II		-10,000		0
199	**Dragon U-2 (JMIP)**	**660**	**0**	**660**	**0**
	SYERS-2 Qualification and Certification Testing		-660		-660
200	**Airborne Reconnaissance Systems**	**6,000**	**0**	**6,000**	**0**
	TARS Integration on Block 40/50 F-16 Aircraft		-6,000		-6,000
204	**Global Hawk UAV**	**19,033**	**0**	**19,033**	**0**
	MASINT and SIGINT Capability Development		-19,033		-19,033
999	**Classified Programs**	**78,658**	**51,058**	**96,806**	**75,806**
	Program Adjustment		-27,600	18,148	-2,852

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 2007 emergency supplemental request submitted as part of the fiscal year 2008 budget.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
2350 RESEARCH, DEVELOPMENT, TEST & EVAL, DW			
2400 CRITICAL INFRASTRUCTURE PROGRAM (CIP)	15,700	15,700	15,700
2450 CLASSIFIED PROGRAMS	530,204	507,104	497,104
2500 TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, DW	545,904	522,804	512,804

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

R-1	Budget Request [1/]	House [2/]	Senate	Conference
999 Classified Programs	**635,164**	**530,204**	**507,104**	**497,104**
Classified Program Adjustment		-104,960	-128,060	-138,060

1/ Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007.
2/ House action relative to the official fiscal year 20007 emergency supplemental request submitted as part of the fiscal year 2008 Budget.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

The conference agreement provides $1,315,526,000, as proposed by both the House and the Senate.

NATIONAL DEFENSE SEALIFT FUND

The conference agreement provides $5,000,000 as proposed by both the House and the Senate.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

The conference agreement on items addressed by either the House or the Senate is as follows:

	(In thousands of dollars) House	Senate	Conference
Defense Health Program (emergency)	2,789,703	2,466,847	3,251,853
Operation and maintenance (emergency)	(2,289,703)	(2,277,147)	(2,802,153)
Procurement (emergency)	---	(118,000)	(118,000)
Research, development, test and evaluation (emergency)	(500,000)	(71,700)	(331,700)
Medical support fund (emergency)	---	---	---

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	House	Senate	Conference
OPERATION AND MAINTENANCE	**1,073,147**	**2,289,703**	**2,277,147**	**2,802,153**
Amputee Care	28,600	61,950	28,600	61,950
Bethesda Emergency Preparedness Plan		5,000		5,000
Blast Injury Prevention, Mitigation & Treatment	7,100	14,800	7,100	14,800
Improved Identification and Access to Mental Health/PTSD Treatment		200,000	40,000	300,000
Improved Identification and Access to Traumatic Brain Injury Treatment		200,000	20,000	300,000
Care Givers Support Program		12,000		12,000
Burn Care	7,800	14,800	7,800	14,800
Comprehensive Combat Casualty Care (C5)	6,500	6,500	6,500	6,500
BAMC Infrastructure (Elevators)		1,500		1,500
WRAMC Infrastructure (Building 18 & other infrastructure)		20,000	20,000	20,000
Efficiency Wedge			382,000	382,000
Restores Funding for Legislative Proposal not adopted		730,000	742,000	660,750
PROCUREMENT			**118,000**	**118,000**
Efficiency Wedge				118,000
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION		**500,000**	**71,700**	**331,700**
Peer Reviewed Post Traumatic Stress Disorder Research				150,000
Peer Reviewed Traumatic Brain Injury Research				150,000
Peer Reviewed Burn, Orthopedic, and Trauma Research				31,700
MEDICAL SUPPORT FUND	**50,000/1**		**0**	**0**

/1 Reflects the official budget amendments for fiscal year 2007 submitted by the President on March 12, 2007

The conference agreement provides $3,251,853,000 for the Defense Health Program, instead of $2,789,703,000 as proposed by the House and $2,466,847,000 as proposed by the Senate.

TRAUMATIC BRAIN INJURY (TBI) AND POST TRAUMATIC STRESS DISORDER (PTSD) TREATMENT AND RESEARCH

The conferees believe that, if a service member is correctly diagnosed with TBI or PTSD, the better chance he or she has of a full recovery. It is critical that health care providers are given the resources necessary to make accurate, timely referrals for appropriate treatment and that service members have high priority access to such services. Therefore, the conference agreement provides $900,000,000 for access, treatment and research for TBI and PTSD. Of the amount provided, $600,000,000 is for operation and maintenance and $300,000,000 is for research, development, test and evaluation to conduct peer reviewed research.

By increasing funding for TBI and PTSD, the conferees believe that the Defense Department now will have significant resources to dramatically improve screening for risk factors, diagnosis, treatment, counseling, research, facilities and equipment to prevent or treat these illnesses.

If the Secretary of Defense determines that funds made available within the operation and maintenance account for the treatment of TBI and PTSD are excess to the requirements of the Department of Defense, the conference agreement provides the authority to transfer excess amounts to the Department of Veterans Affairs to be available only for the same purpose.

CARE GIVER SUPPORT PROGRAMS

The conference agreement provides $12,000,000 for care giver support programs, to be allocated as recommended in House Report 110–60, in order to assist the military medical facilities' nurses and doctors who are treating the wounded by ensuring they have sufficient stress prevention and management programs.

AMPUTEE HEALTH CARE

The conference agreement provides a total of $61,950,000 for amputee health care. The additional monies, to be allocated consistent with House Report 110–60, will enhance health care services and operations at Walter Reed, Brooke Army Medical Center/Center for the Intrepid, Landstuhl Regional Medical Center and National Naval Medical Center—Balboa.

SUSTAINING THE MILITARY HEALTH CARE BENEFIT

When the fiscal year 2007 budget request was submitted, it assumed savings anticipated from legislation that would have significantly increased fees and premiums paid by military members. The legislation was not enacted by Congress. The conference agreement provides $660,750,000 to fully fund the Defense Health Program for fiscal year 2007. The conferees strongly urge the Department to examine other ways to sustain the benefit without relying on Con-

gress to enact legislation that would increase the out-of-pocket costs to the beneficiaries.

MILITARY HEALTH CARE BUDGET—"EFFICIENCY WEDGE"

The conference agreement provides $500,000,000 in operation and maintenance and procurement funding to reverse "efficiency wedge" savings mandated by the Department of Defense. The monies are to be allocated consistent with Senate Report 110–37 and will return funding to appropriate levels within the Direct Care system and allow the services to address critical needs.

HEALTH CARE IN SUPPORT OF ARMY MODULAR FORCE CONVERSION AND GLOBAL POSITIONING

The conferees are concerned that the Army has been directed to cover costs associated with health care support of Army modular force (AMF) conversion and global positioning. The cost of these movements is estimated at $68,000,000 and will enable the Army to provide the capacity to meet increases in the demand for health care created as the Army repositions forces. This necessary funding is required to ensure that soldiers, particularly those returning from combat, and their families are able to access military health care.

The conferees direct the Assistant Secretary of Defense for Health Affairs and the Surgeon General of the Army to coordinate an effort and report back to the congressional defense committees by June 29, 2007, on how these anticipated costs will be funded to ensure soldiers and their families affected by AMF and global positioning will have access to the health care they deserve.

TRAUMATIC BRAIN INJURY

The conferees direct the Assistant Secretary of Defense for Health Affairs to submit a report to the congressional defense committees regarding the extent of, treatment of, and outreach to patients with traumatic brain injury, through military hospitals and outpatient clinics and their families. The report shall be submitted within 120 days after enactment of this Act, and it shall describe the Department's diagnosis and screening processes, communication procedures and policies for family members, and provide an accounting of funds budgeted and expended for this type of injury.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

The conference agreement provides $254,665,000, as proposed by the Senate, instead of $259,115,000 as proposed by the House.

The conference agreement on items addressed by either the House or the Senate is as follows:

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	House	Senate	Conference
Afghan National Interdiction Unit Counternarcotics Police (Training/Equipment/Facilities)	108,515	108,515	108,515	108,515
Afghan National Interdiction Unit Counternarcotics Police (Air Mobility)	12,000	12,000	12,000	12,000
Intelligence Fusion Centers	500	500	500	500
Afghan Counternarcotics Border Policy (Training/Equipment)	15,500	15,500	15,500	15,500
Intelligence and Technology	45,700	45,700	45,700	45,700
Other Program Support	5,000	5,000	5,000	5,000
Other Nation Support				
Tajikistan	9,000	9,000	9,000	9,000
Turkmenistan	9,400	9,400	9,400	9,400
Yemen	1,000	1,000	0	0
Pakistan	41,950	41,950	41,950	41,950
Kyrgyzstan	5,000	5,000	5,000	5,000
Kazakhstan	2,100	2,100	2,100	2,100
Turkey	1,000	1,000	0	0
Horn of Africa	2,450	2,450	0	0

RELATED AGENCIES

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

The conference agreement provides $71,726,000 as proposed by the Senate instead of $57,426,000 as proposed by the House.

GENERAL PROVISIONS—THIS CHAPTER

The conference agreement retains a provision (Section 1301), as proposed by both the House and Senate, which provides for the obligation of appropriations made available in this chapter until September 30, 2007.

The conference agreement includes a provision (Section 1302), as proposed by the Senate, relating to general transfer authority.

The conference agreement retains a provision (Section 1303), as proposed by both the House and Senate, which provides for the obligation and expenditure of funds related to activities pursuant to section 504(a)(1) of the National Security Act of 1947.

The conference agreement retains a provision (Section 1304), as proposed by both the House and Senate, which prohibits funds provided in this chapter to finance programs or activities denied by Congress, or to initiate a new start program without prior notification to the congressional defense committees.

The conference agreement includes a provision (Section 1305), as proposed by the Senate, relating to amounts transferred or credited to the Defense Cooperation Account.

The conference agreement modifies a provision (Section 1306), as proposed by both the House and Senate, which provides funds

for support for counter-drug activities of the Governments of Afghanistan and Pakistan.

The conference agreement includes a provision (Section 1307), as proposed by the Senate, relating to the Commanders' Emergency Response Program.

The conference agreement includes a provision (Section 1308), as proposed by the House, relating to submission of the Measuring Stability in Iraq report.

The conference agreement includes a provision (Section 1309), as proposed by the Senate, relating to supervision and administrative costs associated with construction contracts in Iraq and Afghanistan.

The conference agreement retains a provision (Section 1310), as proposed by both the House and Senate, relating to U.S. contributions to NATO common-funded budgets.

The conference agreement retains a provision (Section 1311), as proposed by both the House and Senate, relating to permanent bases in Iraq.

The conference agreement includes a provision (Section 1312), as proposed by the Senate, which prohibits funds to contravene laws or regulations promulgated to implement the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

The conference agreement deletes a provision, as proposed by the House (Section 1312), permitting the transfer of up to $100,000,000 from Operation and Maintenance, Defense-Wide to the Department of State "Economic Support Fund" to support provincial reconstruction teams in Iraq and Afghanistan. The conference agreement includes funds for this activity within the appropriation for the Iraq Freedom Fund.

The conference agreement modifies a provision (Section 1313), as proposed by the House, relating to the withholding of funds appropriated under certain headings until the Department of Defense and the Office of Management and Budget submit certain reports relating to Iraq and Afghanistan security forces.

The conference agreement modifies a provision (Section 1314), as proposed by the House, relating to contractor award fees.

The conference agreement modifies a provision (Section 1315), as proposed by the House, relating to the cost of Department of Defense contracts and number of contracted personnel in Iraq and Afghanistan by deleting the reduction of $815,000,000, increasing the amounts withheld pending a DoD report on contract costs and personnel, and clarifying the reporting requirements.

The conference agreement includes a provision (Section 1316), as proposed by the House, which provides temporary authority to allow service members to designate a portion of their death gratuity benefit to someone other than next of kin.

The conference agreement includes a provision (Section 1317), as proposed by the Senate, which provides up to 287 heavy armored vehicles for force protection purposes in Iraq and Afghanistan.

The conference agreement modifies a provision (Section 1318), as proposed by the Senate, which requires the Secretary of Defense

to inspect all military medical treatment facilities and military quarters housing medical hold and medical holdover personnel.

The conference agreement does not include a provision, as proposed by the House (Section 1320), relating to the legal representation for soldiers pursuing claims through the Army Physical Disability Evaluation System. The conference agreement addresses this matter elsewhere in the joint explanatory statement.

The conference agreement includes a provision (Section 1319), as proposed by the Senate, regarding the disarming of militias.

The conference agreement modifies a provision (Section 1320), as proposed by the Senate, relating to an independent assessment of the capabilities of the Iraqi security forces.

The conference agreement includes a provision (Section 1321) which provides a one-time waiver of time limitations for the award of the Medal of Honor.

The conference agreement includes a provision (Section 1322) that from funds appropriated in "Other Procurement, Army", in the Department of Defense Appropriations Act, 2006, $6,250,000 shall be transferred to "Military Construction, Army".

The conference agreement includes a provision (Section 1323) permitting the transfer of up to $110,000,000 from various appropriations to the Department of State "Economic Support Fund" to support programs in Pakistan.

The conference agreement deletes a provision, as proposed by the House (Section 1319), which would have amended section l403(a) of the Floyd D. Spence National Defense Authorization Act for fiscal year 2001 (as amended).

The conference agreement deletes a provision, as proposed by the Senate (Section 1318), relating to the redevelopment of the industrial sector in Iraq. The conference agreement addresses this issue within the appropriation for the Iraq Freedom Fund.

The conference agreement deletes a provision, as proposed by the Senate (Section 1319), to provide $1,500,000,000 for Mine Resistant Ambush Protected Vehicles. This matter is addressed within various appropriations in this chapter.

CHAPTER 4

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

DEFENSE NUCLEAR NONPROLIFERATION

The conference agreement provides $150,000,000 for Defense Nuclear Nonproliferation activities by the National Nuclear Security Administration, as proposed by the House instead of $63,000,000 as proposed by the Senate. Within the amounts provided, $136,000,000 is included for the International Nuclear Materials Protection and Cooperation program, including $25,000,000 for Rosatom Weapons Complex activities to begin comprehensive security upgrades at Mayak plutonium facilities where Russia recently agreed to allow access to U.S. teams for cooperative security

work; $87,000,000 for the Megaports initiative to accelerate activities in host countries with seaports that have signed implementation agreements but are currently not funded to complete deployment of radiation detection equipment for scanning cargo containers; and $24,000,000 for additional high priority activities. Further the recommendation includes $14,000,000 for the Global Threat Reduction Initiative for Kazakhstan spent fuel security activities.

Sec. 1401. The conference agreement includes a provision regarding National Nuclear Security Administration transfer authority.

CHAPTER 5

DEPARTMENT OF HOMELAND SECURITY

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The conferees agree with the Senate's concern that the management and administrative challenges facing the Department will increase unless a stronger focus is placed on hiring, training, and maintaining career leaders. In particular, the conferees are concerned that the Department and its components will not be able to function effectively when the change in administration occurs in 2009. The conferees direct the Department to provide, by July 20, 2007, a report on senior staffing, as proposed by the Senate. The conferees further direct the Government Accountability Office to assess the strengths and weaknesses of the report within 90 days after the Department submits the report. In addition, the conferees provide $900,000 in title IV of the bill for the Under Secretary for Management to award a grant or contract to the National Academy of Public Administration (NAPA) to undertake a study to compare the Department of Homeland Security's reported senior career and political staffing levels and senior career training programs with those of similarly structured cabinet-level agencies. NAPA is an independent, non-partisan organization chartered by Congress to assist Federal, State, and local governments in improving their effectiveness, efficiency, and accountability. The conferees direct the Department to execute such grant or contract no later than the July 20, 2007, report submission date, and for NAPA to submit its report within six months thereafter.

OFFICE OF THE CHIEF INFORMATION OFFICER

The Chief Information Officer is directed to submit to the Committees on Appropriations no later than 30 days after the date of enactment of this Act a report on the full costs to transition information to the Department of Homeland Security's primary data center. This report is to include, by departmental component: a schedule for data transition; costs for each fiscal year required to complete the transition; identification of items associated with the transition required to be procured and related procurement schedule; and identification of any transition costs provided in fiscal year 2007 or requested in the fiscal year 2008 President's budget. A report on the same elements for the data center to be selected in the summer of 2007 shall be submitted to the Committees on Appro-

priations no later than 30 days after a final selection has been made.

ANALYSIS AND OPERATIONS

The conferees provide an additional $15,000,000 in support of the State and local fusion center program, instead of $35,000,000 as proposed by the House. The Senate bill contains no similar provision. These funds, along with amounts made available to date in fiscal year 2007, will allow DHS to support 35 fully-operational centers by the end of 2008.

Consistent with the House report, the conferees direct the Department's Chief Intelligence Officer to provide on-going, quarterly updates to the Committees on Appropriations, starting on July 1, 2007, that detail progress in placing DHS homeland security intelligence professionals in State and local fusion centers. These reports shall include: the qualification criteria used by DHS to decide where and how to place DHS intelligence analysts and related technology; total expenditures to support each center to date and during the most recent quarter of the current fiscal year, in the same categorization as materials submitted to the Committees on Appropriations on March 23, 2007; the location of each fusion center, including identification of those with DHS personnel, both operational and planned; the schedule for operational stand-up of planned fusion centers; the number of DHS-funded employees located at each fusion center, including details on whether the employees are contract or government staff; the privacy protection policies of each center, including the number of facility personnel trained in Federal privacy, civil rights, and civil liberties laws and standards; and the number of local law enforcement agents at each center approved or pending approval to receive and review classified intelligence information.

UNITED STATES CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conferees provide an additional $115,000,000 for Salaries and Expenses, instead of $100,000,000 as proposed by the House and $140,000,000 as proposed by the Senate. Included in this amount are funds to:

(1) implement Security and Accountability For Every Port Act of 2006 (Public Law 109–347) requirements and advance goals of the Secure Freight Initiative to improve significantly the ability of United States Customs and Border Protection (CBP) to target and analyze U.S.-bound cargo containers; expand the screening of such cargo overseas and the capacity to physically inspect containers; procure and integrate non-intrusive inspection equipment into inspection and radiation detection operations; and improve supply chain security, to include enhanced analytic and targeting systems using data collected via commercial and government technologies and databases;

(2) support hiring of not less than an additional 600 CBP Officers, and additional intelligence and trade specialist and support

positions for targeting and screening on the Northern Border, at overseas locations, and at the National Targeting Center, and staffing required for Northern Border Air and Marine Operations; and

(3) transfer up to $5,000,000 to the Federal Law Enforcement Training Center for basic training costs associated with the additional personnel funded in this Act.

The conferees direct CBP to submit expenditure and staffing plans for these additional funds to the Committees on Appropriations no later than 30 days after the date of enactment of this Act and prior to the obligation of the funds.

The conferees direct CBP to sustain the current level of Border Patrol staffing on the Northern Border and to inform the Committees on Appropriations immediately if CBP does not expect to achieve its plan of having at least 1,179 Border Patrol agents permanently deployed to the Northern Border by the end of fiscal year 2007.

ALIEN SMUGGLING TRACKING

The conferees are aware that CBP has established an Office of Alien Smuggling Interdiction (ASI), including three field-level Regional Carrier Liaison Groups. According to CBP, ASI facilitates the exchange of intelligence and information within CBP and between CBP and external agencies related to alien trafficking and smuggling; coordinates such efforts within CBP; and maintains close working relationships with other offices, including the Human Smuggling and Trafficking Center (HSTC), the Border Patrol, and the U.S. Coast Guard. The conferees agree such efforts are consistent with the CBP mission to interdict smuggling, but also coordination requires active CBP participation in the multi-agency HSTC. The conferees direct CBP and ICE jointly to brief the Committees on Appropriations no later than 60 days after the date of enactment of this Act on the role each agency plays in enforcing laws against human smuggling, how those missions are coordinated, and the timeline for placement of CBP detailees at the HSTC.

CONSTRUCTION

The conferees have recently become aware of significant CBP construction program management lapses that may adversely impact deployment of new Border Patrol agents and endanger the successful implementation of border security initiatives. The conferees direct CBP to review and assess the staffing levels committed to facilities management and oversight and submit the Construction Master Plan required by Public Law 109–295 to the Committees on Appropriations as expeditiously as possible.

PERMANENT BORDER PATROL CHECKPOINT

The conferees understand that CBP agrees that no permanent checkpoint will be planned for Southern Arizona without significant and direct community involvement. Any planned permanent checkpoint must: (1) be part of an overall network of border security technology and infrastructure, as well as an increase in personnel; (2) be designed to significantly reduce the number of illegal

immigrants and the amount of contraband entering the U.S. through Arizona, and increase the security of our nation by employing technology and capabilities to detect individuals or implements associated with terrorism; and (3) contain attributes that reduce to a minimum the impact on the commerce and quality of life of communities. Prior to the operation of a possible permanent checkpoint in Southern Arizona, CBP must ensure that any temporary checkpoint be administered in a manner consistent with current case law, and address the checkpoint's impact on residents, legitimate travelers, and public safety.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

The conferees provide an additional $120,000,000 for Air and Marine Interdiction, Operations, Maintenance, and Procurement, instead of $150,000,000 as proposed by the House and $75,000,000 as proposed by the Senate. Included in this amount are funds to accelerate planned deployment of Northern Border Air and Marine operations. This includes: establishment of the final Northern Border air wing; procurement of assets, such as fixed wing aircraft, helicopters, unmanned aerial systems, marine and riverine vessels, and other equipment; relocation of aircraft; site acquisition; and the design and building of facilities. The conferees direct CBP to submit an expenditure plan for the use of these funds to the Committees on Appropriations no later than 30 days after the date of enactment of this Act and prior to the obligation of the funds.

UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

The conferees provide an additional $10,000,000 for Salaries and Expenses instead of $20,000,000 as proposed by the Senate. The House bill contains no similar provision. Of this amount, $5,000,000 is provided to create a security advisory opinion review unit within the Visa Security Program consistent with the Senate report. The remaining $5,000,000 is provided for the Human Smuggling and Trafficking Center (HSTC). The conferees intend that U.S. Immigration and Customs Enforcement (ICE) serve as the Department's lead at the HSTC, but also direct CBP, given its border protection, inspection, and interdiction missions, to fully participate in the HSTC. The conferees direct ICE to submit an expenditure plan for the use of the HSTC funds to the Committees on Appropriations no later than 30 days after the date of enactment of this Act and prior to the obligation of the funds.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

The conferees provide an additional $970,000,000 for Aviation Security instead of $1,250,000,000 as proposed by the House and $660,000,000 as proposed by the Senate. Within this total, $815,000,000 is for the procurement and installation of checked baggage explosives detection systems; $45,000,000 is for the expansion of checkpoint explosives detection pilot systems; and

$110,000,000 is for air cargo security. Funding for the procurement and installation of checked baggage explosives detection systems and checkpoint explosives detection pilots is available until expended. Funding for air cargo security is available until September 30, 2009.

The conferees direct the Transportation Security Administration (TSA) to utilize funding for explosives detection systems at airports that would derive significant security benefits, consistent with the optimal screening solutions prioritized in TSA's strategic plan for electronic baggage screening. As directed by the Senate, TSA shall submit a revised fiscal year 2007 explosives detection system expenditure plan to the Committees on Appropriations no later than 90 days after the date of enactment of this Act.

The conferees provide $45,000,000 for the deployment and pilot testing of advanced checkpoint explosives detection equipment and screening technologies to determine preferred operational and equipment protocols. The fiscal year 2008 budget request identifies a number of emerging technologies that could be expedited so that airline passengers and carry-on baggage are screened for explosives, weapons, and other threat objects by the most advanced equipment currently under development. TSA has lagged behind in this area and should use this funding to accelerate this work. The conferees are disappointed that TSA failed to meet a January 23, 2007, deadline to submit a strategic plan for deployment of checkpoint technologies and direct TSA to expeditiously submit that strategic plan, as directed in the joint explanatory statement of managers accompanying the fiscal year 2007 conference report (Report 109–699), and include these additional funds as part of this effort.

The conferees provide $110,000,000 for air cargo security. This funding sets a path for all cargo carried on passenger aircraft to be screened. Within the amount provided, the conferees direct TSA to: (1) hire no fewer than 150 additional air cargo inspectors to establish a more robust enforcement and compliance regime; (2) complete air cargo vulnerability assessments, as described in TSA's recent report on air cargo security for all Category X airports; (3) expand the National Explosives Detection Canine Program by no fewer than 170 additional canine teams; and (4) procure and install explosives detection systems, explosives trace machines, and other technologies to screen air cargo. The conferees permit a portion of these funds to be used for proprietary canine teams led by TSA, as proposed by the Senate. In addition, the conferees direct TSA to pursue canine screening methods utilized internationally, which focus on air samples taken from air cargo for explosives detection. Within 90 days after the date of enactment of this Act, TSA shall provide an expenditure plan detailing how it will utilize the $110,000,000 to increase the screening of air cargo carried on passenger aircraft.

FEDERAL AIR MARSHALS

The conferees provide an additional $8,000,000 for Federal Air Marshals instead of $15,000,000 as proposed by the Senate. The House bill contains no similar provision. Funding shall be used to support higher coverage on critical flights that would otherwise

have had insufficient coverage. The conferees direct TSA to report back within 30 days from the date of enactment of this Act on how these additional funds will be allocated.

NATIONAL PROTECTION AND PROGRAMS

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

The conferees provide an additional $37,000,000 for Infrastructure Protection and Information Security instead of $25,000,000 as proposed by the House and $18,000,000 as proposed by the Senate. Of this total amount, $25,000,000 shall be to develop State and local interoperability plans in support of the state interoperable grant program; and $12,000,000 shall be to support implementation of new chemical security regulations.

As outlined in the House report, the conferees direct the Office of Emergency Communications to work in conjunction with the Science and Technology Office of Interoperable Communications and the Federal Emergency Management Agency to support the efforts of State and local governments as they develop state interoperable communications plans. Within 30 days from the date of enactment of this Act, DHS is directed to provide the Committees on Appropriations a detailed expenditure plan for execution of a nationwide state interoperable communications planning effort, including key milestones for achievement of the decisions necessary to support the Public Safety Interoperable Communications Grant Program. The conferees encourage the Department to allow States that do not use reallocated public safety spectrum to be eligible for the Public Safety Interoperable grant funds as long as their systems are compatible with those using reallocated spectrum.

The conferees provide $12,000,000 to ensure that DHS is able to implement chemical facility security regulations efficiently and effectively as described in the Senate report.

The conferees are concerned with the process used by the Office of Cyber Security to acquire access to a facility for a Secret Service-led computer forensics training program. While the conferees strongly support the Department's efforts to fight cybercrime, the Department's first notification to Congress of this program was via a press release announcing the Secretary's ribbon cutting at the planned center. This approach represents a violation of the spirit, if not the letter, of section 503 of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295). Within 30 days from the date of enactment of this Act, the Secretary is directed to submit to the Committees on Appropriations a report providing a detailed description of the source and amount of funds to be used in support of the new program, the original purpose of each of the funding sources, a legal opinion providing the legal basis for the actions taken in establishing this activity, and the process that will be used in the future to ensure that Congress is informed in advance of any activity that could be construed as either creating new programs or making awards that do not involve an appropriate competitive solicitation of participants or service providers. In addition, the report shall include a justification outlining why this activity is properly undertaken by the Secret Serv-

ice and DHS rather than the Federal Bureau of Investigation and the Department of Justice.

OFFICE OF HEALTH AFFAIRS

The conferees provide $15,000,000 for the Office of Health Affairs instead of $18,000,000 as proposed by the Senate. The House bill contains no similar funding. Of this amount, $4,000,000 is to support medical readiness, planning, and other activities tasked to this Office.

The remaining $11,000,000 is for nuclear event public health assessment and planning. The Office of Health Affairs, in conjunction with appropriate agencies and national labs, shall: expeditiously develop plans for the response to, and model the effects of, a 0.1, 1.0 and 10 kiloton nuclear explosion on each tier one Urban Area Security Initiative (UASI) city, where such analysis has not already been completed; assess whether current response and recovery plans of all levels of government provide the greatest public health benefit; document what modifications and appropriate practices for responding to such an event would improve health outcomes; assess if identified affected distribution systems would be sufficient to support the proposed response; and set a strategy, in consultation with the Federal Emergency Management Agency and other appropriate agencies, to ensure consistent and sufficient delivery of information to the public, medical community, and first responders on appropriate protective actions to prepare for and respond to a nuclear attack.

The Office of Health Affairs shall provide quarterly briefings to the Committees on Appropriations on the status of this assessment beginning three months after the date of enactment of this Act.

In addition, of the amount made available for the assessment, up to $2,000,000 is for the National Academy of Sciences (NAS) to evaluate the Department's estimates of the effects of a nuclear attack and the current level of preparation in tier one UASI cities. NAS shall report on: available healthcare capacity to treat the affected population; treatments available for pertinent radiation illnesses; efficacy of medical countermeasures; the likely capability of the Federal, State, and local authorities to deliver available medical countermeasures in a timely enough way to be effective; and the overall expected benefit of available countermeasures and those in the development pipeline. NAS shall also assess the availability, quality, and benefit of public and medical education on reducing the illness and death associated with a nuclear attack. NAS shall submit its report to the Committees on Appropriations within 18 months after the date of enactment of this Act.

The conferees note the Department has not finalized its Protective Action Guides for Radiological Dispersal Devices and Improvised Nuclear Device Incidents for Federal agencies, State and local governments, emergency responders, and the general public. This guidance would be critical in planning and responding to radiological incidents. The conferees direct the Department to finalize this guidance as quickly as possible.

The conferees direct the Office of Health Affairs to submit an expenditure plan prior to the obligation of any funds provided under this heading. Funds are available until September 30, 2008.

FEDERAL EMERGENCY MANAGEMENT AGENCY

MANAGEMENT AND ADMINISTRATION

The conferees provide $25,000,000 for Management and Administration instead of $25,000,000 as proposed by the House for Salaries and Expenses and $20,000,000 as proposed by the Senate for Administrative and Regional Operations. Within the funding provided, $10,000,000 is for disaster communications equipment to be placed in Federal Emergency Management Agency (FEMA) regions across the country; $2,500,000 is to strengthen interstate mutual aid agreements; $5,000,000 is for regional strike teams; $6,000,000 is for improvements for financial and information systems; $500,000 is for the Law Enforcement Liaison Office; $500,000 is for the Disability Coordinator; and $500,000 is for the National Advisory Council. The conferees include bill language prohibiting the obligation of this $25,000,000 until the Committees on Appropriations receive and approve an expenditure plan. Such plan should be submitted within 45 days after the date of enactment of this Act. Funds are available until September 30, 2008.

The "Management and Administration" account combines the former "Administrative and Regional Operations" and "Readiness, Mitigation, Response, and Recovery" accounts. A provision is included to transfer all funds in the "Administrative and Regional Operations" and "Readiness, Mitigation, Response, and Recovery" accounts into the new "Management and Administration" account.

NUCLEAR PREPAREDNESS

The conferees are concerned that cities have little guidance available to them to better prepare their populations to react in the critical moments shortly after a nuclear event. The conferees direct FEMA, in conjunction with the Office of Health Affairs, to report on the general status and adequacy of public fallout shelters and other protective measures, as appropriate, and pre-planned guidance to the public in the tier one UASI cities. Further, FEMA shall report on how it is coordinating with State and local governments and the Department of Health and Human Services for delivery of prepackaged announcements with major radio and television outlets to assure immediate and helpful guidance after a nuclear attack.

STATE AND LOCAL PROGRAMS

The conferees provide an additional $552,500,000 for State and Local Programs instead of $415,000,000 as proposed by the House and $850,000,000 proposed by the Senate. Within the funding provided, $190,000,000 is for port security grants pursuant to the Security and Accountability For Every Port Act of 2006 (Public Law 109–347); $325,000,000 is for intercity rail passenger transportation, freight rail, and transit security grants; $35,000,000 is for regional catastrophic event planning grants and regional technical assistance; and $2,500,000 is for technical assistance programs.

The conferees continue to be concerned about the Department's poor track record for awarding security grants on a timely basis. The additional funding provided in this Act for port security and

rail and mass transit security grants shall be awarded by September 30, 2007. The conferees direct the Department to provide potential grant recipients with pending applications an opportunity to apply for these additional funds.

The conferees provide $35,000,000 for all-hazard regional catastrophic event planning grants and regional technical assistance as proposed by the Senate. These funds are provided for grants and technical assistance to tier one UASI cities and other participating governments for the purpose of developing all-hazard regional catastrophic event plans and preparedness. FEMA Regional Offices are directed to work with the UASI areas in this effort. Plans and preparedness efforts must address every risk and include logistics, response (including mass evacuation and shelter-in-place), recovery, public education, and business outreach. The conferees include bill language prohibiting the obligation of funds for regional catastrophic event planning grants and regional technical assistance until the Committees on Appropriations receive and approve an expenditure plan. The conferees direct FEMA to provide the expenditure plan by July 1, 2007, so as not to delay this important initiative. The Department shall report to the Committees on Appropriations no later than January 15, 2008, regarding the results of this effort.

The conferees recognize that the majority of grant dollars are spent on first responder equipment at the State and local level. To be effective, it is imperative that first responders are also trained to properly use and maintain the equipment. Therefore, the conferees provide $2,500,000 to the technical assistance program for operation and maintenance training on detection and response equipment. The program must be competitively awarded. Funds are available until September 30, 2007.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

The conferees provide an additional $100,000,000 for Emergency Management Performance Grants. The conferees do not include bill language proposed by the Senate to provide funds for expenses related to the Nationwide Plan Review.

The conferees are concerned by the findings of the Department's Plan Review, which found that emergency management plans across the country are not up-to-date or systematic. State and local emergency management agencies use Emergency Management Performance Grants to enhance their emergency management capabilities and to link efforts regionally and nationwide. The conferees direct FEMA to provide guidelines encouraging State and local governments to address the findings identified in the Nationwide Plan Review. The conferees also direct FEMA to brief the Committees on Appropriations regarding the status of successfully addressing the Nationwide Plan Review findings no later than June 29, 2007.

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

The conferees agree to provide an additional $10,000,000 for United States Citizenship and Immigration Services instead of $30,000,000 as proposed by the Senate. The House bill contains no

similar provision. The conferees understand that there are approximately 170,000 immigration applications and petitions awaiting security checks by the Federal Bureau of Investigation. These funds are provided under the terms and conditions listed in the Senate report, including a restriction from obligation until the Committees on Appropriations receive a specific plan that describes how this security check backlog will be addressed comprehensively.

SCIENCE AND TECHNOLOGY

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

The conferees provide an additional $10,000,000 for Research, Development, Acquisition, and Operations instead of $15,000,000 as proposed by the Senate. The House bill contains no similar provision. The conferees direct that this funding be used for research on improved air cargo screening technologies to protect aircraft from explosives and other harmful materials, as discussed in the Senate report. None of the funds shall be used to continue, beyond the current timeframe, ongoing air cargo pilots. The benefits and findings from these pilots should be made available to all stakeholders as quickly as possible.

DOMESTIC NUCLEAR DETECTION OFFICE

RESEARCH, DEVELOPMENT, AND OPERATIONS

The conferees provide an additional $39,000,000 for Research, Development and Operations as proposed by the Senate. The House bill contains no similar provision. Within the funding provided, $5,000,000 is to enhance detection links between seaports and railroads as authorized in Section 121(i) of Security and Accountability For Every Port Act of 2006 (Public Law 109–347); $8,000,000 is to accelerate development and deployment of detection systems at international rail border crossings; and $26,000,000 is for development and deployment of a variety of screening technologies at aviation facilities as discussed in the Senate report. Funding is available until expended.

SYSTEMS ACQUISITION

The conferees provide an additional $223,500,000 for Systems Acquisition instead of $400,000,000 as proposed by the House. The Senate bill contains no similar provision. Funding shall be used to acquire and deploy additional radiation portal monitors at all locations DHS determines necessary. No funds shall be used to acquire advanced spectroscopic portal monitors until the Secretary of Homeland Security certifies that these systems will achieve a significant increase in operational effectiveness. If the Secretary is unable to certify an increase in operational effectiveness, the conferees direct the Domestic Nuclear Detection Office to acquire currently available radiation portal monitors. Funds are available until expended.

GENERAL PROVISIONS

Section 1501.—The conferees modify a provision proposed by both the House and Senate that clarifies Federal preemption of

State and local chemical site security regulations. The conferees also modify a House provision on information security standards for chemical facility vulnerability information.

Sec. 1502.—The conferees include a provision proposed by the Senate that precludes the Department from using funds in this Act or provided by P.L. 109–295 to carry out reorganization authority. The House bill contains no similar provision.

Sec. 1503.—The conferees include a provision proposed by the Senate that mandates that the Department of Homeland Security require all contracts that provide award fees to link such fees to successful acquisition outcomes. The House bill contains no similar provision.

The conferees do not include a provision proposed by the Senate regarding the Domestic Preparedness Equipment Technical Assistance Program.

CHAPTER 6

HOUSE OF REPRESENTATIVES

SALARIES AND EXPENSES

The conferees agree to provide $6,437,000 for the House of Representatives for business continuity and disaster recovery. Inasmuch as this item relates solely to the House, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the Senate, at the request of the managers on the part of the House, have receded to the amendment of the House.

GOVERNMENT ACCOUNTABILITY OFFICE

SALARIES AND EXPENSES

The conference agreement provides $374,000 to the Government Accountability Office to remain available until September 30, 2008. This is the same amount as proposed by the Senate. The House bill carried no such provision.

CHAPTER 7

DEPARTMENT OF DEFENSE

NATO Security Investment Program (NSIP) reimbursement for military construction in Afghanistan.—The conferees understand that military construction projects carried out in Afghanistan may be eligible for reimbursement under NSIP. The conferees therefore direct the Department of Defense to aggressively pursue NSIP funding for military construction in Afghanistan and review all future projects for NSIP eligibility.

MILITARY CONSTRUCTION, ARMY

The conferees agree to provide $1,255,890,000 for Military Construction, Army, instead of $1,329,240,000 as proposed by the House and $1,261,390,000 as proposed by the Senate. The funds are provided as follows:

Location	Project description	Request	Conference agreement
CO Fort Carson	Unit Operations Facilities		18,000,000
GA: Fort Stewart	Unit Operations Facilities		30,500,000
KS: Fort Riley	Site Prep, Accelerated BCT	1,500,000	1,500,000
KS: Fort Riley	Unit Operations Facilities		24,000,000
KY: Fort Campbell	Unit Operations Facilities		18,000,000
MD: Fort Meade	Military Intelligence Admin/Ops Center	42,000,000	42,000,000
MO: Fort Leonard Wood	Trainee Barracks Complex		77,100,000
NY: Fort Drum	Unit Operations Facilities		14,600,000
NC: Fort Bragg	Unit Operations Facilities		11,800,000
TX: Fort Bliss	Unit Operations Facilities		38,000,000
TX: Fort Hood	Unit Operations Facilities		18,000,000
WW: Unspecified	Growing the Force Projects, Various Locs.		
Afghanistan: Bagram AB	Bulk Fuel Storage, Phase 1	9,500,000	9,500,000
Afghanistan: Bagram AB	Bulk Fuel Storage, Phase 2	25,000,000	25,000,000
Afghanistan: Bagram AB	CMU Barracks	17,000,000	17,000,000
Afghanistan: Bagram AB	Communications System Facility	8,200,000	8,200,000
Afghanistan: Bagram AB	Electrical Distribution/Utility Chase	17,500,000	17,500,000
Afghanistan: Bagram AB	New Roads	26,000,000	
Afghanistan: Bagram AB	Perimeter Fence and Guard Towers	8,900,000	8,900,000
Afghanistan: Bagram AB	RSOI Surge Area	14,000,000	14,000,000
Afghanistan: Bagram AB	Storm Water Collection	5,600,000	5,600,000
Afghanistan: Bagram AB	Water Treatment and Distribution	22,000,000	22,000,000
Afghanistan: Bagram AB	WWTP and Sewer Collection	16,500,000	16,500,000
Afghanistan: Various Locations	Road—Freedom/Asabalad to Blessing	17,500,000	17,500,000
Afghanistan: Various Locations	Road—Naray to Kamdash	27,000,000	27,000,000
Afghanistan: Various Locations	Road—Asmar to Naray	9,700,000	9,700,000
Afghanistan: Various Locations	Road—Jalalabad to Shali Kot	15,000,000	15,000,000
Afghanistan: Various Locations	Road—South of Jalalabad	6,800,000	6,800,000
Afghanistan: Various Locations	Road—Through Sharana	7,300,000	7,300,000
Afghanistan: Various Locations	Road—West of Orgun-E	7,300,000	7,300,000
Afghanistan: Various Locations	Road—South of Sharana	33,000,000	33,000,000
Afghanistan: Various Locations	Road—Khowst to BSP9	7,900,000	7,900,000
Afghanistan: Various Locations	Road—FB Chamkani to Pakistan Border.	13,000,000	13,000,000
Afghanistan: Various Locations	Road—West of Khowst	9,700,000	9,700,000
Afghanistan: Various Locations	Road—North of Waza Kwah	36,000,000	36,000,000
Afghanistan: Various Locations	Road—Qalat to Mazan	30,000,000	30,000,000
Afghanistan: Various Locations	Road—Qalat to Shinkay	57,000,000	57,000,000
Afghanistan: Various Locations	Road—Tarin Kowt to Oshay	34,000,000	34,000,000
Afghanistan: Various Locations	Road—Crossings 1 to 2 (BAF to Kabul).	3,550,000	3,550,000
Afghanistan: Various Locations	Road—Crossings 2 to 3 (BAF to Kabul).	790,000	790,000
Afghanistan: Various Locations	Road—Crossing 3 to 5KM (BAF to Kabul).	3,550,000	3,550,000
Afghanistan: Various Locations	Dry Stream Bed Crossing 1 (BAF to Kabul).	8,300,000	8,300,000
Afghanistan: Various Locations	Dry Stream Bed Crossing 2 (BAF to Kabul).	8,300,000	8,300,000
Afghanistan: Various Locations	Dry Stream Bed Crossing 3 (BAF to Kabul).	34,000,000	34,000,000
Iraq: Al Asad	Detainee Interrogation Facility	5,500,000	
Iraq: Al Asad	Electrical Infrastructure Upgrades	14,600,000	14,600,000
Iraq: Al Asad	Heavy Aircraft Apron	14,400,000	14,400,000
Iraq: Al Asad	Runway With Shelters	13,600,000	13,600,000
Iraq: Al Asad	Transient Aircraft Apron	4,150,000	4,150,000
Iraq: Al Asad	Water Storage Tanks	14,000,000	14,000,000
Iraq: Camp Anaconda	CJSOAC Operations Center	3,450,000	3,450,000
Iraq: Camp Anaconda	North Entry Control Point	7,400,000	7,400,000
Iraq: Camp Anaconda	POL Tanks	9,900,000	9,900,000
Iraq: Camp Anaconda	South Entry Control Point	7,500,000	7,500,000
Iraq: Camp Anaconda	Truck Lane Access Road	2,600,000	2,600,000
Iraq: Camp Anaconda	Water Storage Tanks	10,000,000	10,000,000
Iraq: Camp Anaconda	Water Wells	2,200,000	2,200,000

Location	Project description	Request	Conference agreement
Iraq: Various Locations	Facilities Replacement	96,000,000	
Iraq: Al Asad	Facilities Replacement		23,000,000
Iraq: Camp Adder	Facilities Replacement		1,800,000
Iraq: Camp Anaconda	Facilities Replacement		7,000,000
Iraq: Camp Speicher	Facilities Replacement		19,000,000
Iraq: Oayyarah West	Facilities Replacement		1,800,000
Iraq: Scania	Facilities Replacement		2,400,000
Iraq: Victory Base	Facilities Replacement		33,000,000
Iraq: Various Locations	Facilities Replacement—AT/FP		8,000,000
Iraq: Various Locations	Life Support Areas	75,000,000	
Iraq: Al Asad	Life Support Areas		16,500,000
Iraq: Camp Adder	Life Support Areas		8,500,000
Iraq: Camp Anaconda	Life Support Areas		8,500,000
Iraq: Camp Speicher	Life Support Areas		8,500,000
Iraq: Victory Base	Life Support Areas		33,000,000
Worldwide: Unspecified	Planning and Design (Growing the Force).	151,700,000	151,700,000
Worldwide: Unspecified	Planning and Design (GWOT)	23,900,000	22,000,000
Total		1,289,290,000	1,255,890,000

Coordination of military road construction in Afghanistan.—The conferees agree to include a provision, as proposed by the House, to prohibit the obligation or expenditure of $369,690,000 in funds until the Secretary of Defense submits a detailed report on the coordination of military road construction in Afghanistan with NATO and coalition nations. The Senate bill contained no similar provision.

Growing the Force, Army.—The conferees agree to provide $401,700,000 for construction and planning and design efforts in support of the Army's proposed permanent end-strength increase of up to 65,000 soldiers. The conferees are concerned, however, about the lack of an overall plan to station and accommodate these increases with the necessary facilities. The conferees therefore agree to include language that prohibits the obligation and expenditure of these funds until the Secretary of Defense submits a Grow the Force Stationing Plan that includes the following for the entire 65,000–soldier increase: the new units to be created and the number of soldiers in each such unit; the specific increases in the number of soldiers to existing units; the installation where each new unit or augmented unit will be located; the estimated dates of initial operational capability and full operational capability of each new unit; the types of temporary and permanent facilities required (including family housing) and the estimated cost; and any other pertinent information. This report also shall provide the same information, where appropriate, for the proposed increase of 8,200 personnel to the Army National Guard and the proposed increase of 1,000 personnel to the Army Reserve.

Permanent bases in Iraq.—The conferees agree to include a provision, as proposed by the Senate, to prohibit the obligation or expenditure of $274,800,000 in funds until the Secretary of Defense certifies that none of these funds are to be used for the permanent basing of U.S. military personnel in Iraq. The House bill contained no similar provision.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

The conferees agree to provide $370,990,000 for Military Construction, Navy and Marine Corps, instead of $389,300,000 as proposed by the House and $347,890,000 as proposed by the Senate. The funds are provided as follows:

Location	Project description	Request	Conference agreement
AZ: MCAS Yuma	Grow the Force Interim Facilities Site Prep.	—	1,200,000
CA: MCAS Miramar	Grow the Force Interim Facilities Site Prep.	—	4,800,000
CA: Camp Pendleton	Grow the Force Interim Facilities Site Prep.	—	39,730,000
CA: Twentynine Palms	Grow the Force Interim Facilities Site Prep.	—	27,340,000
HI: MCB Hawaii	Grow the Force Interim Facilities Site Prep.	—	2,170,000
NC: Camp Lejeune	3/9 Maintenance/Operations Complex	41,490,000	41,490,000
NC: Camp Lejeune	BEQ, Hadnot Point	40,560,000	40,560,000
NC: Camp Lejeune	EOD Building FC292 Addition	2,570,000	2,570,000
NC: Camp Lejeune	Mess Hall	16,100,000	16,100,000
NC: Camp Lejeune	MP Company Operations Complex	5,800,000	5,800,000
NC: Camp Lejeune	Regimental Headquarters Addition	8,600,000	8,600,000
NC: Camp Lejeune	Truck Company Maintenance/Ops Complex.	9,150,000	9,150,000
NC: Camp Lejeune	Grow the Force Interim Facilities Site Prep.	—	50,660,000
NC: MCAS Cherry Point	Grow the Force Interim Facilities Site Prep.	—	27,050,000
NC: MCAS New River	Grow the Force Interim Facilities Site Prep.	—	850,000
Djibouti: Camp Lemonier	Electrical Power Plant	17,990,000	17,990,000
Djibouti: Camp Lemonier	Wastewater Treatment	19,700,000	19,700,000
Djibouti: Camp Lemonier	Water Production	18,310,000	—
Djibouti: Camp Lemonier	Water Storage	5,630,000	5,630,000
Worldwide: Unspecified	Unspecified Construction	153,800,000	—
Worldwide: Unspecified	Planning and Design (GWOT)	4,600,000	3,400,000
Worldwide: Unspecified	Planning and Design (Growing the Force).	46,200,000	46,200,000
Total		390,500,000	370,990,000

Growing the Force, Marine Corps.—The conferees agree to provide $324,270,000 for construction and planning and design efforts in support of the Marine Corps' proposed permanent end-strength increase of up to 27,000 marines. The conferees are concerned, however, about the lack of an overall plan to station and accommodate these increases with the necessary facilities. The conferees therefore agree to include language that prohibits the obligation and expenditure of these funds until the Secretary of Defense submits a Grow the Force Stationing Plan that includes the following for the entire 27,000-marine increase: the new units to be created and the number of marines in each such unit; the specific increases in the number of marines to existing units; the installations where each new unit or augmented unit will be located; the estimated dates of initial operational capability and full operational capability of each new unit; the types of temporary and permanent facilities required (including family housing) and the estimated cost; and any other pertinent information.

MILITARY CONSTRUCTION, AIR FORCE

The conferees agree to provide $43,300,000 for Military Construction, Air Force, instead of $60,200,000 as proposed by the House and $34,700,000 as proposed by the Senate. The funds are provided as follows:

Location	Project description	Request	Conference agreement
Afghanistan: Bagram AB	Hot Cargo Pad and Access Road	7,300,000	7,300,000
Afghanistan: Bagram AB	Parallel Taxiway	49,000,000	33,000,000
Worldwide: Unspecified	Planning and Design	3,900,000	3,000,000
Total		60,200,000	43,300,000

Parallel Taxiway, Bagram, Afghanistan.—The conferees agree to provide $33,000,000 to extend the existing parallel taxiway at Bagram, rather than the $49,000,000 requested to build a new taxiway. One of the justifications for this project provided by the Deparment of Defense is to allow for parking expansion to accommodate wide-body aircraft. The conferees note, however, that the Administration's March 9 revisions deleted the Strategic Aircraft Ramp from the original request, indicating that it no longer considers such expansion to be a priority.

BASE REALIGNMENT AND CLOSURE ACCOUNT 2005

The conferees agree to provide $3,136,802,000 for the Base Realignment and Closure Account 2005 as proposed by both the House and the Senate.

GENERAL PROVISIONS—THIS CHAPTER

The conferees agree to include a modified general provision related to the Walter Reed Army Medical Center.

The conferees agree to include a general provision proposed by the Senate related to the Armed Forces Institute of Pathology. The House bill contained no similar provision.

CHAPTER 8

DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $870,658,000 for Diplomatic and Comular Programs, instead of $966,954,000 as proposed by the House and $815,796,000 as proposed by the Senate. Within the total under this heading, $96,500,000 is for World Wide Security Upgrades and is available until expended, instead of $102,155,000 as proposed by the House and $70,000,000 as proposed by the Senate.

The conference agreement includes the transfer of $258,000 to the United States Commission on International Religious Freedom from within the funds provided under the heading as proposed by the House. The Senate included no similar provision.

The conference agreement includes $20,000,000 under this heading for public diplomacy programs, as proposed by the Senate. The House included the same amount for this purpose, but did not include the language in the bill.

The conferees recognize that public diplomacy activities, when effectively implemented, engage and inform foreign audiences, communicate and advocate policies of the United States, and convey shared interests and values across the globe. These activities are important in building the goodwill and cooperation that is necessary for the United States to achieve our foreign policy and national security goals. The conferees believe that although there has been increased attention on public diplomacy efforts since the terrorist attacks of September 11, 2001, a more focused interagency effort is necessary. Therefore, the conferees direct that the Secretary of State develop a comprehensive, interagency strategy for public diplomacy programming in predominantly Muslim countries, as proposed by the Senate, including programming efforts via various media. The conferees expect the plan to include planned expenditures, by category, of funding available in fiscal year 2007 for public diplomacy activities, as proposed by the House. The conferees direct the report to be provided to the Committees on Appropriations not later than 45 days after the enactment of this Act.

The conference agreement includes $750,000,000 for Diplomatic and Consular Programs relating to Iraq, instead of $790,641,000 as proposed by the House and $723,896,000 as proposed by the Senate. The conferees understand that a Memorandum of Agreement between the Departments of State and Defense was finalized on February 27, 2007, specifying operational requirements, authorities, and responsibilities shared between the U.S. Mission in Iraq and the Multi-National Forces in Iraq. The conferees recognize that the assumptions on which the request was based may have changed. Therefore, the conference agreement includes bill language withholding from obligation twenty percent of the amount made available under this heading for Iraq operations until the Committes on Appropriations receive and approve a detailed expenditure plan of funding for such operations, similar to language proposed by the House. The Senate bill included no similar provision.

The fiscal year 2005 Emergency Supplemental Appropriations Act (P.L. 109–13) included $592,000,000 for the construction of a new embassy compound in Baghdad, Iraq, based on a number of 1,157 desks and 619 beds. The conferees are dismayed to learn that the Department of State continues to plan for an increase in staffing of thirty percent in desks and an increase of ninety-six percent in beds above the amount approved by the Congress. Therefore, the conferees direct the Secretary of State, in consultation with the U.S. Chief of Mission in Iraq, to undertake a review of the current personnel plan for the Mission in Iraq and provide justification for the deviation from the 2005-approved plan prior to obligation of funding under this heading. The conferees expect a report on the

new embassy compound personnel requirements in light of the available office space, including a housing plan from the Overseas Buildings Operations Bureau, not later than 45 days of enactment of this Act.

The conference agreement does not include language under this heading included in the House bill providing up to $50,000,000 to establish and maintain a civilian reserve corps. Instead, the conference agreement includes a modified general provision similar to language in section 1712 of the Senate bill.

The conference agreement includes a provision directing the Office of Management and Budget to apportion $15,000,000 appropriated in the fiscal year 2006 Emergency Supplemental Appropriations Act (P.L. 109–148) for Emergencies in the Diplomatic and Consular Service funding, as proposed by the Senate. The House included no similar provision.

The conference agreement includes a provision similar to that proposed by the Senate authorizing the transfer of up to $20,000,000 from funds made available under this heading to the Emergencies in the Diplomatic and Consular Service account only for the payment of terrorism rewards. The House bill included no similar provision.

The conferees concur with language included in the House report denying funds requested for salaries and allowances for new domestic staff positions and to lease additional space.

Funds under this heading are provided on an emergency basis.

The conference agreement allocates funding as follows:

DIPLOMATIC AND CONSULAR PROGRAMS

(In thousands)

Account	Request	House	Senate	Conference
Afghanistan	$47,155	$82,155	$55,000	$79,000
World Wide Security Upgrades (non-add)	47,155	82,155	55,000	79,000
Iraq	823,941	790,641	723,896	750,000
Sudan	21,900	21,900	16,900	19,400
World Wide Security Upgrades (non-add)	20,000	20,000	15,000	17,500
Public Diplomacy	20,000	20,000	20,000	20,000
Bureau of Intelligence and Research	0	2,000	0	2,000
U.S. Commission on International Religious Freedom	0	258	0	258
Civilian Reserve Corps (up to authority) [1]	0	50,000	[50,000]	[50,000]
Total—Diplomatic and Consular Programs	912,996	966,954	815,796	870,658

[1] Note: Numbers in brackets are ''non-adds''.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $36,500,000 for the Office of the Inspector General as proposed by the Senate, instead of $46,800,000 as proposed by the House. Within the amount provided under this heading, $35,000,000 is for a transfer to the Special Inspector General for Iraq Reconstruction (SIGIR) to conduct oversight work on reconstruction projects in Iraq, $1,300,000 is for the Department of State Inspector General's oversight work related to operations in Iraq, and $200,000 is for the Department of State In-

spector General's oversight work related to operations in Afghanistan.

The conferees direct the SIGIR to report to the Committees on Appropriations not later than 90 days of enactment of this Act on the number of personnel, contract services, and budgetary needs of SIGIR at the time of the report and the projected operational requirements for the remainder of fiscal year 2007 and fiscal year 2008. The conferees intend that the report specifically address the personnel and resource requirements of section 2 of P.L. 109–440. The SIGIR shall inform the Committees on Appropriations regarding the enactment of any legislation subsequent to the submission of the report which imposes additional oversight responsibilities on SIGIR or which otherwise affects its operational requirements.

Funds under this heading are provided on an emergency basis.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

The conference agreement includes $20,000,000 for Educational and Cultural Exchange Programs as proposed by the House, instead of $10,000,000 as proposed by the Senate.

The conferees concur with language in the Senate report regarding support for a pilot program, which would create a two-way exchange component of the Youth Exchange and Study program.

Funds under this heading are provided on an emergency basis.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The conference agreement includes $50,000,000 for Contributions to International Organizations, instead of $59,000,000 as proposed by the Senate. The House bill included no similar provision.

These funds are intended to pay arrears to organizations that are involved in global efforts to combat international terrorism and to prevent the spread of avian influenza.

Funds under this heading are provided on an emergency basis.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The conference agreement provides $288,000,000 for assessed costs of U.N. peacekeeping operations as proposed by the House instead of $200,000,000 as proposed by the Senate. Within the total provided under this heading, $184,000,000 is for the U.N. Interim Force in Lebanon, $16,000,000 is for the U.N. Mission in Timor Leste, and $88,000,000 is intended for a potential U.N. mission in Chad, as proposed by the House. The Senate bill included funding for Chad under the Peacekeeping Operations account.

The conferees direct that if funds are not obligated for a U.N. mission in Chad by August 15, 2007, the Department of State should consult with the Committees on Appropriations on the funding needs for other priority missions within the Contributions for International Peacekeeping Activities account.

Funds under this heading are provided on an emergency basis.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The conference agreement includes $10,000,000 for International Broadcasting Operations as proposed by the House and the Senate.

Funds under this heading are provided on an emergency basis.

BILATERAL ECONOMIC ASSISTANCE

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

FUNDS APPROPRIATED TO THE PRESIDENT

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $161,000,000 for the Child Survival and Health Programs Fund account, as proposed by the House and the Senate.

The conference agreement includes language, similar to that proposed by the Senate, providing authority to the President to use funding under the Millennium Challenge Corporation and Global HIV/AIDS Initiative accounts to combat an avian influenza pandemic, if he determines that the human-to-human transmission of the avian influenza virus is efficient and sustained, and is spreading internationally. The conferees note that this is the highest threat level of the World Health Organization's Global Influenza Preparedness Plan. The conferees expect the Office of Management and Budget to request reimbursement of any funds used from the Millennium Challenge Corporation and Global HIV/AIDS Initiative accounts in the event the President exercises this authority.

The conferees endorse House report language requiring a report on planned expenditures not later than 45 days of enactment of this Act.

Funds under this heading are provided on an emergency basis.

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

The conference agreement includes $165,000,000 for International Disaster and Famine Assistance, instead of $135,000,000 as proposed by the House and $187,000,000 as proposed by the Senate.

Within the total provided under this heading, not less than $45,000,000 is for Iraq, not less than $44,000,000 is for Sudan, not less than $20,000,000 is for Somalia, and not less than $16,000,000 is for assistance for internally displaced persons in and near Kabul, Afghanistan. The remaining $40,000,000 is included for unmet or unforeseen humanitarian assistance requirements in countries such as the Central African Republic, Chad, the Democratic Republic of the Congo, and Uganda.

Funds under this heading are provided on an emergency basis.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The conference agreement includes $8,700,000 for operating expenses of the United States Agency for International Development (USAID), instead of $10,700,000 as proposed by the House and $5,700,000 as proposed by the Senate. The conferees provide additional funding for security and other operating costs associated with USAID personnel in Afghanistan.

Funds under this heading are provided on an emergency basis.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $3,500,000 for operating expenses of the USAID Office of Inspector General as proposed by the House instead of $4,000,000 as proposed by the Senate. The conferees intend that the additional funding is for expenses associated with oversight of the expanded programs in Afghanistan and Iraq.

Funds under this heading are provided on an emergency basis.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The conference agreement includes $2,649,300,000 for the Economic Support Fund, instead of $2,953,000,000 as proposed by the House and $2,602,200,000 as proposed by the Senate.

The conference agreement includes $1,574,000,000 for Iraq under this heading, instead of $1,887,000,000 as proposed by the House and $1,524,000,000 as proposed by the Senate.

Of the amounts provided for Iraq, the conferees include $57,400,000 for economic and social development programs in areas of conflict in Iraq, and intend these funds to be used to counter extremist elements in that country. The conferees provide the U.S. Chief of Mission in Iraq with the responsibility for policy decisions and justification for the use of these funds. The conferees do not support the Department of State proposal to provide assistance directly to Iraqi political parties, as contained in the budget request justification materials, and note that these funds are in lieu of those requested for the Political Participation Fund and the National Institutions Fund.

The conference agreement includes not less than $95,000,000 for the Community Action Program, instead of $75,000,000 as proposed by the House and $100,000,000 as proposed by the Senate. Of the funds provided for the Community Action Program under this heading, the conferees instruct that not less than $5,000,000 be provided for the Marla Ruzicka Iraqi War Victims Fund as proposed by the Senate. The House did not include a similar provision.

The conferees concur with language in the House report requiring a report on the ethnic and geographic distribution of U.S. assistance programs in Iraq, specifically to the Nineveh Plain region.

The conference agreement includes $737,000,000 for assistance for Afghanistan, instead of $743,000,000 as proposed by the House

and $686,000,000 as proposed by the Senate. Of the funds provided for Afghanistan, the conference agreement provides $10,000,000 for the Afghan Civilian Assistance Program as proposed by the Senate. The House included no similar provision.

The conference agreement provides $295,000,000 for assistance for Lebanon, instead of $300,000,000 as proposed by the House and $265,000,000 as proposed by the Senate. The conferees note that language establishing conditions on assistance for Lebanon is included under the general provisions for this chapter.

The conference agreement includes $3,000,000 for environmental remediation and health activities in Vietnam, instead of $3,200,000 as proposed by the Senate. The House did not include a similar provision. The conferees endorse language in the Senate report regarding this matter, and stipulate that prior to the obligation of these funds the Committees on Appropriations be consulted on the planned use of the funds. The conferees recommend that these funds be matched, to the maximum extent possible, with contributions from other public and private sources.

The conference agreement includes $2,000,000 for assistance for Uganda as proposed by the Senate. The House did not include a similar provision. The conferees endorse language in the Senate report regarding this matter, and stipulate that prior to the obligation of these funds the Committees on Appropriations be consulted on the planned use of the funds.

The conference agreement includes $5,000,000 for assistance for Nepal, instead of $6,000,000 as proposed by the Senate. The House did not include a similar provision. The conferees intend these funds be used to support elections and for demobilization and reintegration of former combatants. The conferees endorse language in the Senate report regarding this matter, and stipulate that prior to the obligation of these funds the Committees on Appropriations be consulted on the planned use of the funds.

The conference agreement includes $5,000,000 for typhoon reconstruction assistance for the Philippines, instead of $6,000,000 as proposed by the Senate. The House did not include a similar provision.

The conference agreement includes $10,300,000 for assistance for Jordan under this heading. The conferees intend these funds to be used to improve basic education, health, water and sanitation services in Jordanian communities that have experienced a significant influx of Iraqi refugees.

The conference agreement does not provide $110,000,000 for Pakistan under this heading, as proposed by the Senate. The House did not include a similar provision.

Funds under this heading are provided on an emergency basis.

The conference agreement allocates funding as follows:

ECONOMIC SUPPORT FUND

Account ($ in thousands)	Request	House	Senate	Conference
Iraq:				
Security:				
Provincial Reconstruction Teams (PRTs)	720,000	620,000	660,000	620,000
Community Action Program (CAP)	50,000	75,000	100,000	95,000

ECONOMIC SUPPORT FUND—Continued

Account ($ in thousands)	Request	House	Senate	Conference
Marla Ruzicka Iraqi War Victims Fund	0	0	5,000	5,000
Community Stabilization Program (CSP)	384,000	354,000	384,000	354,000
Local Governance Program	100,000	100,000	90,000	90,000
Subtotal Security	1,254,000	1,149,000	1,234,000	1,159,000
Economic:				
Private Sector Agribusiness Development	75,000	75,000	70,000	70,000
Strengthen Financial Markets	12,500	12,500	10,000	10,000
Financial Market Development	12,500	12,500	10,000	10,000
Targeted Development Programs	—	—	—	57,400
Subtotal Economic	100,000	100,000	90,000	147,400
Political:				
National Capacity Development	180,000	160,000	140,000	140,000
Policy, Subsidy, Legal and Regulatory Reform	110,000	90,000	60,000	60,000
Democracy	428,000	388,000	—	—
Civil Society Development	—	—	—	67,600
Subtotal Political	718,000	638,000	200,000	267,600
Provided under Democracy Fund	—	—	[385,000]	[250,000]
Subtotal—Iraq ESF	2,072,000	1,887,000	1,524,000	1,574,000
Afghanistan:				
Provincial Reconstruction Teams (PRTs)	117,000	217,000	144,000	174,000
Rural Development	120,000	160,000	125,000	155,000
Agriculture	13,000	13,000	25,000	19,000
Governance Capacity Building	21,000	21,000	[25,000]	25,000
New Power Generation Construction	40,000	40,000	40,000	40,000
Rural Road Construction	342,000	292,000	342,000	314,000
Civilian Assistance Program	—	—	10,000	10,000
Subtotal—Afghanistan ESF	653,000	743,000	686,000	737,000
Lebanon:				
Budget Support.				
Project Assistance	50,000	50,000	15,000	45,000
Provided under Democracy Fund	—	—	[35,000]	[5,000]
Subtotal—Lebanon ESF	300,000	300,000	265,000	295,000
Sierra Leone Special Court	—	3,000	—	3,000
Jordan:				
Basic Education and Health Activities	—	—	—	10,300
Permissive Transfer from Iraq PRT Funding (non-add)	—	—	(100,000)	—
Subtotal—Jordan ESF	—	—	—	10,300
Nepal Elections and Peace Process	—	—	6,000	5,000
Democratic Republic of the Congo Governance and Peace Process	—	15,000	—	15,000
Liberian Presidential Personal Security	—	5,000	—	[1]
Uganda Peace Process	—	—	2,000	2,000
Vietnam Environment and Health Programs	—	—	3,200	3,000
Philippines Reconstruction	—	—	6,000	5,000
Total—ESF	3,135,000	2,953,000	2,602,200	2,649,300

[1] Funding for this purpose is included under the Nonproliferation, Anti-Terrorism, Demining and Related Programs account.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

The conference agreement includes $229,000,000 for Assistance for Eastern Europe and the Baltic States for assistance for Kosovo, instead of $239,000,000 as proposed by the House and $214,000,000 as proposed by the Senate. The conferees endorse the reporting requirement included in the House report regarding the proposed pledge of funds.

Funds under this heading are provided on an emergency basis.

DEPARTMENT OF STATE

DEMOCRACY FUND

The conference agreement provides $260,000,000 for Democracy Fund, instead of $465,000,000 as proposed by the Senate. The House provided funding for this purpose under the requested accounts. The conference agreement includes the following amounts in the accounts requested: $125,000,000 for assistance for Iraq; $25,000,000 for assistance for Afghanistan; $15,000,000 for assistance for Kosovo; and $30,000,000 for assistance for Lebanon.

The conference agreement provides a total of $250,000,000 for democracy, human rights and rule of law programs in Iraq, of which $190,000,000 is for the Human Rights and Democracy Fund (HRDF) of the Department of State's Bureau of Democracy, Human Rights, and Labor, and $60,000,000 is for USAID. The conferees direct that funds included under this heading for assistance for Lebanon be made available to the HRDF, and that of the funds included for media and democracy programs in Somalia, $3,000,000 be made available to USAID, and $2,000,000 to the HRDF.

The conference agreement includes language, similar to that proposed by the Senate, requiring the Secretary of State to submit a report to the Committees on Appropriations not later than 60 days after enactment of this Act describing a comprehensive, long-term strategy, with goals and expected results, for strengthening and advancing democracy in Iraq. This report should be developed in consultation with USAID, and should include the anticipated funding required for successful implementation of the strategy in subsequent fiscal years.

The conferees endorse language in the Senate report regarding the conduct of appropriate rule of law programs concurrently with activities to professionalize the Afghan National Police.

Funds under this heading are provided on an emergency basis.

The conference agreement allocates funding as follows:

DEMOCRACY FUND

Account ($ in thousands)	Request	House	Senate	Conference
Afghanistan	[21,000]	[1]	25,000	[2]
Iraq:				
Continuation of Democracy Programs	[181,600]	[1]	200,000	200,000
Political Participation Fund	[42,800]	[1]	19,400	[2]
National Institutions Fund (including Parliament)	[76,000]	[1]	38,000	[2]
Human Rights	[40,000]	[1]	40,000	40,000
Women's Programs	[10,000]	[1]	10,000	10,000
Provincial Funds via PRTs	[32,000]	[1]	32,000	[2]
Security for International Election Monitors	[17,600]	[1]	17,600	[2]
International Visitors Program	[8,000]	[1]	8,000	[2]
Support for Media	[20,000]	[1]	20,000	[2]
Subtotal—Iraq	[428,000]	[388,000]	385,000	500,000
Kosovo:				
Legislative Reform	[2,000]	[1]	2,000	[2]
Conflict Mitigation	[5,000]	[1]	5,000	[2]
Institution/Capacity Building	[8,000]	[1]	8,000	[2]
Subtotal—Kosovo	[15,000]	[1]	15,000	[2]

DEMOCRACY FUND—Continued

Account ($ in thousands)	Request	House	Senate	Conference
Lebanon:				
Strength the Rule of Law	.....	[1]	10,000	[2]
Municipal Capacity Building	.....	[1]	20,000	[2]
Promote Consensus Building	.....	[1]	5,000	.....
Democracy Programs	.....	.....	.....	5,000
Subtotal—Lebanon	[35,000]	[1]	35,000	5,000
Somalia:				
Media and Democracy Programs	.....	.....	5,000	5,000
Subtotal—Somalia	.....	.....	5,000	5,000
Total—DF	.....	.....	465,000	260,000

[1] The House included these funds in the accounts requested.
[2] The conference agreement includes these funds in the accounts requested.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

(INCLUDING RESCISSION OF FUNDS)

The conference agreement includes $257,000,000 for International Narcotics Control and Law Enforcement, instead of $334,500,000 as proposed by the House and $210,000,000 as proposed by the Senate. The conference agreement includes the rescission of $13,000,000 in prior appropriations as proposed by the Senate. House bill did not include a similar provision.

The conferees endorse language included in the Senate report denying funding for construction of corrections facilities.

Funds under this heading are provided on an emergency basis.

The conference agreement allocates funding as follows:

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

Account ($ in thousands)	Request	House	Senate	Conference
Iraq	200,000	180,000	150,000	150,000
Afghanistan	.....	94,500	.....	47,000
Lebanon	60,000	60,000	60,000	60,000
Total—INCLE	260,000	334,500	210,000	257,000

MIGRATION AND REFUGEE ASSISTANCE

The conference agreement includes $130,500,000 for Migration and Refugee Assistance, instead of $111,500,000 as proposed by the House and $143,000,000 as proposed by the Senate.

The conference agreement provides not less than $5,000,000 to rescue Iraqi scholars, as proposed by the Senate. The House bill did not include a similar provision. The conferees endorse language on this matter in the Senate report and urge the Department of State to act expeditiously to develop and implement a plan for resettling Iraqi scholars.

Funds under this heading are provided on an emergency basis.

The conference agreement allocates funding as follows:

MIGRATION AND REFUGEE ASSISTANCE

Account ($ in thousands)	Request	House	Senate	Conference
Afghanistan	.....	.....	18,000	16,000
Iraq	15,000	15,000	65,000	45,000
Allocated to Other Countries	0	0	60,000	0

MIGRATION AND REFUGEE ASSISTANCE—Continued

Account ($ in thousands)	Request	House	Senate	Conference
Unallocated for Unforeseen Requirements	56,500	96,500	.....	69,500
Total—MRA	71,500	111,500	143,000	130,500

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

The conference agreement includes $55,000,000 for the United States Emergency Refugee and Migration Assistance Fund as proposed by the Senate, instead of $35,000,000 as proposed by the House.

Funds under this heading are provided on an emergency basis.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement includes $57,500,000 for Nonproliferation, Anti-Terrorism, Demining and Related Programs, instead of $87,500,000 as proposed by the House and $27,500,000 as proposed by the Senate. The conferees $25,000,000 for border security programs in Jordan, and include $5,000,000, as proposed in the House bill under "Economic Support Fund", for the protection of the Liberian President.

The conferees direct the Secretary of State to submit to the Committees on Appropriations not later than 30 days after enactment of this Act a report on strengthening the personal security of President of South Sudan. This report shall include a spending plan for the use of funds appropriated in fiscal year 2007, including from Peacekeeping Operations or Nonproliferation, Anti-Terrorism, Demining and Related Programs.

Funds under this heading are provided on an emergency basis.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

The conference agreement includes $2,750,000 for International Affairs Technical Assistance as proposed by both the House and the Senate.

Funds under this heading are provided on an emergency basis.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The conference agreement includes $265,000,000 for the Foreign Military Financing Program, instead of $260,000,000 as proposed by the House and $220,000,000 as proposed by the Senate. The conference agreement includes $220,000,000 for assistance for Lebanon and $45,000,000 for assistance for Jordan.

The conferees recognize that Jordan is a key ally of the United States in the region and affirm the special transfer authorities of

the President under section 614(a) of the Foreign Assistance Act of 1961 should additional emergency security assistance for Jordan be required.

Funds under this heading are provided on an emergency basis.

PEACEKEEPING OPERATIONS

The conference agreement includes $230,000,000 for Peacekeeping Operations, instead of $225,000,000 as proposed by the House and $323,000,000 as proposed by the Senate.

The conferees endorse language in the House report directing the Department of State to report on the status of implementation of the African Union Mission in Sudan (AMIS) mandate and to provide a timetable for a hybrid U.N./AMIS peacekeeping force in Darfur.

The conferees direct the Secretary of State to submit a report to the Committees on Appropriations not later than 30 days after enactment of this Act, and every 30 days thereafter until September 30, 2008, detailing the obligation and expenditure of funds made available under this heading. The conferees request that this information be provided on a country-by-country basis, with descriptive information on activities supported.

Funds under this heading are provided on an emergency basis.

GENERAL PROVISIONS—THIS CHAPTER

Section 1801. Authorization of Funds—The conference agreement includes a general provision authorizing the expenditure of funds provided by this title, as proposed by the Senate (sec. 1701). The House bill did not include a similar provision.

The conference agreement does not include a general provision proposed by the Senate extending the availability of funds (sec. 1702).

Sec. 1802. Extension of Oversight Authority—The conference agreement includes a general provision extending the authority of the Special Inspector General for Iraq Reconstruction through fiscal year 2007, as proposed by the Senate (sec. 1703). The House proposed a similar provision (sec. 1801) extending the authority for both fiscal years 2007 and 2008.

Sec. 1803. Lebanon—The conference agreement includes a general provision restricting certain assistance for Lebanon, similar to language proposed by the House (sec. 1802) and the Senate (sec. 1706).

Sec. 1804. Debt Restructuring—The conference agreement includes a general provision permitting the use of funds made available in fiscal year 2007 for debt restructuring to assist Liberia, as proposed by both the House and Senate.

The conference agreement does not include a general provision authorizing the transfer of funds under the Economic Support Fund account to other accounts for assistance for Jordan, as proposed by the Senate (sec. 1705).

Sec. 1805. Government Accountability Office—The conference agreement includes a new provision requiring that the Department of State support personnel from the Government Accountability Office (GAO) for periods of not less than 45 days to conduct oversight

in Iraq. The conferees expect that housing and office space, appropriate for handling classified materials, for three GAO personnel would be provided in Baghdad's International Zone.

Sec. 1806. Human Rights and Democracy Fund—The conference agreement includes a general provision regarding the management responsibilities of the Assistant Secretary of State for Democracy, Human Rights, and Labor, as proposed by the Senate (sec. 1707). The House bill included no similar provision.

Sec. 1807. Inspector General Oversight of Iraq and Afghanistan—The conference agreement modifies a general provision from the Senate bill (sec. 1708) regarding certain authorities of the Department of State's Inspector General. The House bill included no similar provision.

Sec. 1808. Funding Tables—The conference agreement modifies a general provision from the Senate bill (sec. 1709) requiring that certain funds provided in this chapter be made available for programs and countries in the amounts contained in the respective tables included in this Statement of Managers, subject to the regular notification procedures of the Committees on Appropriations. The House bill included no similar provision.

Sec. 1809. Spending Plan and Notification Procedures—The conference agreement modifies a general provision included in the Senate bill (sec. 1711) regarding the submission of a report detailing planned expenditures for funds appropriated under the headings in this chapter. The House bill included no similar general provision.

Sec. 1810. Conditions on Assistance for Pakistan—The conference agreement includes a provision requiring the Secretary of State to submit an implementation plan to the Committees on Appropriations before any nonproject assistance is made available to the Government of Pakistan. This report shall detail the process by which the use of these funds will be determined and overseen, as well as outline the benchmarks for the use of these funds. The report shall also detail the United States and Pakistani entities responsible for implementation and oversight, and assess their operational capacity. The conferees expect the spending plan to include detailed information on assistance by sector and program, project, and activity. This report shall also indicate which "FATA Sustainable Development Plan" sub-sector is supported by each program, project, or activity. The conferees also direct that $5,000,000 of the funds made available for Pakistan under the heading "Economic Support Fund" be provided for political party development and election observation programs to the Human Rights and Democracy Fund.

Sec. 1811. Civilian Reserve Corps—The conference agreement modifies language proposed by the House (under the heading "Diplomatic and Consular Programs") and by the Senate (sec. 1712) authorizing the Secretary of State to make available up to $50,000,000 to support and maintain a civilian reserve corps.

Sec. 1812. Coordinator for Iraq Assistance—The conference agreement includes a provision concerning the appointment and duties of a new Coordinator for Iraq Assistance, as proposed by the House. The Senate bill included no similar provision. The conferees

expect the Coordinator to consult on a regular and ongoing basis with the U.S. Chief of Mission in Iraq.

CHAPTER 9

GENERAL PROVISIONS—THIS TITLE

The conference agreement includes a provision proposed by the House related to the mission capabilities of units deployed to Iraq.

The conference agreement includes a provision proposed by the House related to the deployment of units in Iraq.

The conference agreement includes a provision proposed by the House related to the early redeployment of troops to Iraq.

The conference agreement includes modified House and Senate language establishing benchmarks and timetables for the redeployment of U.S. combat forces from Iraq.

TITLE II—ADDITIONAL HURRICANE DISASTER RELIEF AND RECOVERY

Funding in this title provides continuing support for hurricane disaster relief and recovery. One of the groups that has been most adversely affected are the children in the Gulf Coast region. The conferees provide additional funding of $4,610,000,000 to the Federal Emergency Management Agency Disaster Relief fund. This funding can help continue to address the needs of the estimated 372,000 students affected by Hurricane Katrina. The Disaster Relief fund includes support for public assistance grants to repair and reconstruct school buildings, replace contents in schools including books and desks, and provide portable classrooms. A provision included in this legislation mandates that the full cost of the assistance to affected States, applied for prior to enactment of this Act, is borne by the federal government.

The supplemental also provides $30,000,000 in emergency assistance for the public elementary and secondary schools most severely impacted by the 2005 Gulf Coast hurricanes in order to help them recruit and retain high quality classroom teachers for the children returning to these communities.

The supplemental also extends the availability of $550,000,000 in emergency funds provided for the Title XX Social Services Block Grant in 2006 that will otherwise expire on September 30, 2007. A portion of these funds will be used to provide behavioral health services, foster care, protective, and day care services for children.

CHAPTER 1

DEPARTMENT OF AGRICULTURE

GENERAL PROVISION—THIS CHAPTER

Sec. 2101. The conference agreement includes a general provision that would allow the Secretary of Agriculture to continue to enroll eligible participants into the Emergency Forestry Conservation Reserve Program (EFCRP) as proposed by the Senate. The EFCRP was created in the aftermath of Hurricane Katrina to as-

sist forest landowners with the restoration of damaged timber stands.

The conference agreement does not include additional hurricane disaster assistance for livestock, irrigated crops, or citrus as proposed by the House. Qualifying losses are covered under the Agriculture Assistance title.

CHAPTER 2

DEPARTMENT OF JUSTICE

OFFICE OF JUSTICE PROGRAMS

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

The conference agreement includes $50,000,000 for Edward Byrne Discretionary Grants for State and local law enforcement, instead of $170,000,000 as proposed by the Senate. The House did not include this funding. This funding is provided for local law enforcement initiatives in the Gulf Coast region related to the aftermath of Hurricanes Katrina and Rita. The conferees agree that funding shall be distributed to the States in relation to their level of violent crime as estimated by the Federal Bureau of Investigation's Uniform Crime Report for 2005.

The conference agreement does not include $100,000,000 for Edward Byrne Discretionary Grants for State and local law enforcement for security related to the 2008 Presidential Conventions. As proposed by the Senate, the funds would have been distributed equally between the host cities of Denver, Colorado and St. Paul, Minnesota. The House proposed no funding.

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

The conference agreement includes $110,000,000 under this heading, instead of $120,000,000 as proposed by the House and $165,900,000 as proposed by the Senate. Within this amount, the Senate proposal included $60,400,000 for a salmon fishery disaster along the Klamath River. The House provided funding for this purpose in a different title. The conferees agree to provide funding for the consequences of this disaster in Title III of this Act.

The conferees provide: $24,000,000 for the Office of Coast Survey and the Office of Response and Restoration to conduct scanning and mapping as well as to provide debris removal in Louisiana's traditional fishing grounds; $85,000,000 for assistance programs authorized under section 115 of the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006, of which funding shall be distributed to eligible recipients in States most affected by Hurricanes Katrina and Rita; and $1,000,000 for real-time observations and forecasts for critical marine navigation at the next highest priority seaports along the northern Gulf of Mexico, and to continue to repair and replace tide gauge stations throughout the entire region which are critical components to coastal shipboard navigation and storm surge information.

The conferees direct the Department of Commerce to work with the States of Louisiana, Mississippi, and Alabama and other appropriate entities to distribute assistance funding based on an assessment of the needs of the fishing industries in those States. The conferees direct the Department of Commerce to notify the Committees on Appropriations on the allocation of funds provided under this heading for the above activities no later than 15 days prior to obligation of such funds.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

EXPLORATION CAPABILITIES

The conference agreement includes $35,000,000 for risk mitigation projects at the National Aeronautics and Space Administration (NASA), as proposed by the House. The Senate did not include funding under this heading.

GENERAL PROVISION—THIS CHAPTER

The conference agreement includes language to allow NASA to use previously appropriated emergency funds to cover hurricane response expenses incurred in fiscal year 2005.

CHAPTER 3

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION

The conference agreement provides $25,300,000 for "Construction", instead of $37,080,000 as proposed by the House and $150,000,000 as proposed by the Senate. These funds are provided for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, and may be used to continue construction of projects related to interior drainage for the greater New Orleans metropolitan area.

FLOOD CONTROL AND COASTAL EMERGENCIES

The conference agreement provides $1,407,700,000 for "Flood Control and Coastal Emergencies" as proposed by the Senate instead of $1,300,000,000 as proposed by the House. Additional funding for this account is provided under title III.

The Conferees include $107,700,000 to construct interim flood and storm damage reduction measures recommended in the Chief of Engineers report dated December 31, 2006, entitled "Mississippi Coastal Improvements Program, Interim Report", at full federal expense.

Funds provided in Public Law 109–148, the third emergency supplemental appropriations act of 2006, were intended to complete the West Bank and vicinity and Lake Pontchartrain and vicinity, Louisiana, projects. However, the magnitude of the effort required to provide the pre-Katrina authorized levels of protection is now

recognized to be much greater than originally anticipated. Accordingly, $1,300,000,000 is included to complete the pre-Katrina authorized level of protection for the West Bank and vicinity project as well as make progress toward providing authorized protection for the remaining portions of the Lake Pontchartrain and vicinity project.

The Conferees are aware that the Corps of Engineers is considering the placement of interim protective structures at the Inner Harbor Navigation Canal to provide an enhanced measure of protection against storm surges traveling up the Mississippi River Gulf Outlet or the Gulf Intracoastal Waterway until authorized permanent protective measures can be designed and built. The Conferees support this use of Flood Control and Coastal Emergency funds made available under P.L. 109–234. The Corps is reminded that a potentially catastrophic emergency situation continues to exist at the Inner Harbor and encourages the Corps to employ all legitimate emergency means and authorities to ensure that some enhanced level of interim protection can be put into place during 2007, and that permanent protective structures can be completed by 2010.

Additionally, a provision is included to allow the reallocation of funds provided in chapter 3 of Public Law 109–234 under the heading "Flood Control and Coastal Emergencies" for projects in the greater New Orleans area. The provision requires any reallocation of funds be approved by the House and Senate Committees on Appropriations. The Conferees are aware of only one instance where the reallocation of funds is advisable, the provision of permanent protection at the Inner Harbor Navigation Canal. While the Conferees recognize there may be future circumstances where the use of this authority will be desirable, the Corps is instructed to use it judiciously.

GENERAL PROVISIONS—THIS CHAPTER

Sec. 2301. The conference agreement includes a provision relating to reimbursements to local governments for expenses incurred for eligible storm and flood damage reduction activities.

Sec. 2302. The conference agreement includes a provision related to the utilization of funds provided under Public Law 109–234.

Sec. 2303. The conference agreement includes a provision directing the study of the effectiveness of pumping stations and other alternatives at specific sites in New Orleans.

Sec. 2304. The conference agreement includes a provision directing the acceleration of the Mississippi River Gulf Outlet study, as practicable.

CHAPTER 4

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

The conference agreement modifies the House and Senate proposals and provides for the use of $25,069,000 in unobligated balances of the Disaster Loans Program Account to be used for administrative expenses. The House and Senate recommended $25,069,000 as a new appropriation.

The conference agreement also provides that $25,000,000 in unobligated balances shall be used for the Small Business Administration Disaster Loans Program for Economic Injury Disaster Loans. Not more than $8,750,000 may be used for administrative expenses. The Senate proposed a direct appropriation as part of section 2401. The House did not include similar language.

GENERAL PROVISIONS—THIS CHAPTER

The conference agreement does not include language proposed as Senate section 2401 regarding Economic Injury Disaster Loans.

The conference agreement does not include language proposed as Senate section 2402 to extend the HUBZone program and to terminate the Small Business Competitive Demonstration Program.

The conference agreement does not include language proposed as Senate section 2403 to modify the Reservist Program.

CHAPTERS

DEPARTMENT OF HOMELAND SECURITY

OFFICE OF THE FEDERAL COORDINATOR FOR GULF COAST REBUILDING

The conferees understand the Office of the Federal Coordinator for Gulf Coast Rebuilding is working on several initiatives, such as working with the Federal Emergency Management Agency (FEMA) to advance public assistance projects, including those that focus on education and criminal justice; working with the Department of Housing and Urban Development (HUD) on a public housing plan; and developing a plan to transition evacuees into permanent housing. The conferees agree that the housing problem in the Gulf Coast is especially daunting and expect the Office of the Federal Coordinator for Gulf Coast Rebuilding to take a leadership role in order to ensure progress is made. The focus of the Office of the Federal Coordinator for Gulf Coast Rebuilding should not only be on public housing but also on other HUD programs including Section 202, Section 811, and rental assistance. The conferees expect that a near-term goal is to develop housing solutions for all evacuees. The conferees direct the Office of the Federal Coordinator for Gulf Coast Rebuilding to provide quarterly progress reports to the Committees on Appropriations outlining monthly progress on ongoing initiatives, factors delaying progress, and the goals and expectations against which progress is being measured.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

The conferees provide $4,610,000,000 for Disaster Relief instead of $4,310,000,000 as proposed by the House and Senate. The conferees agree with the House report requiring the Government Accountability Office to review how FEMA develops its estimates of the funds needed to respond to any given disaster.

The conferees provide that $4,000,000 of the amount provided be transferred to the Office of Inspector General to increase oversight of Hurricanes Katrina, Rita, and Wilma expenditures and eliminate waste, fraud and abuse, as proposed by the House.

GENERAL PROVISIONS

Sec. 2501.—The conferees include provisions proposed by the House and Senate eliminating the State and local match requirement for certain Federal assistance applied for prior to enactment of this Act pursuant to Title IV of the Stafford Act in response to Hurricanes Katrina, Rita, Wilma, and Dennis in Louisiana, Mississippi, Texas, Florida, and Alabama. The conferees direct FEMA to apply the cost share waiver to all eligible projects for which a "request for public assistance form" has been submitted and for other needs assistance that has been applied for by an individual prior to enactment of this Act.

Sec. 2502.—The conferees include a provision proposed by the House and Senate restoring FEMA's ability to forgive Community Disaster Loans that were issued in response to Hurricanes Katrina and Rita. This is consistent with previous disasters. This provision is retroactive to the date of enactment of P.L. 109–234 and P.L. 109–88, as proposed by the House.

Sec. 2503.—The conferees include a provision proposed by the House and Senate extending the availability of utilities assistance for those leases negotiated by State and local governments and reimbursed by FEMA. This provision is retroactive to the date of enactment of P.L. 109–234, as proposed by the House.

CHAPTER 6

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

HISTORIC PRESERVATION FUND

The conference agreement provides $10,000,000 for the historic preservation fund instead of $15,000,000 as recommended by the Senate and no funding recommended by the House. The agreement includes the bill language and instructions recommended by the Senate.

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING TRANSFER OF FUNDS)

Sec. 2601. The conference agreement modifies language proposed by the Senate. The conference agreement makes a technical correction to P.L. 109–234 permitting $500,000 of emergency Hurricane Katrina disaster funds provided in fiscal year 2006 to be transferred from the National Park Service Historic Preservation Fund account to the National Recreation and Preservation account. These funds will be used for hurricane related reconstruction activities.

CHAPTER 7

DEPARTMENT OF EDUCATION

HIGHER EDUCATION

The conference agreement includes $30,000,000 for grants to institutions of higher education impacted by Hurricanes Katrina or Rita. The House bill and Senate amendment also proposed $30,000,000 for grants to institutions of higher education, but used different eligibility criteria to define how the funds should be allocated. The conferees direct the Secretary to allocate funds to interested eligible institutions based on their share of unreimbursed expenses, including tuition and fees revenue lost, expenses incurred in remediating the effects of the hurricanes, and estimated construction costs for repairing and replacing campus buildings. These data should reflect revenue lost and expenses incurred through the current semester of this academic year.

The conferees direct the Department to disburse these funds within 60 days of the date of enactment of this act. The conferees also direct the Department to brief the Committees on Appropriations of the House of Representatives and Senate on the proposed methodology for allocating these funds prior to any action notifying the public of the availability of these funds.

HURRICANE EDUCATION RECOVERY

The conference agreement provides $30,000,000 for grants to hurricane-impacted States and local educational agencies to build the capacity of public schools that were forced to suspend operations due to Hurricane Katrina or Hurricane Rita. The House bill and Senate amendment also proposed $30,000,000 for this purpose, but used different criteria regarding the use and distribution of the funds. The conferees request that the Department of Education provide quarterly reports to the House Committee on Education and Labor; the Senate Committee on Health, Education, Labor, and Pensions; and the House and Senate Committees on Appropriations on the use of this emergency assistance, including amounts paid for recruitment incentives such as performance pay, relocation, and housing.

PROGRAMS TO RESTART SCHOOL OPERATIONS

The conference agreement modifies bill language proposed by the House and Senate to expand the uses of funds provided for emergency aid to restart school operations appropriated in Public Law 109–148 to include costs associated with recruitment and retention of educators and other activities to assist in building the capacity of public schools that were forced to suspend operations due to Hurricane Katrina or Hurricane Rita. The House bill and Senate amendment had similar language.

GENERAL PROVISIONS—THIS CHAPTER

Sec. 2701. The conference agreement modifies bill language proposed by the House and Senate providing flexibility to eligible States and local educational agencies in the use of emergency aid to restart school operations appropriated in Public Law 109–148.

Sec. 2702. The conference agreement includes a provision similar to that proposed by the House and the Senate that extends until September 30, 2009, the availability of emergency title XX Social Services Block Grant funds provided to the States affected by the 2005 Gulf Coast hurricanes under the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006.

Sec. 2703. The conference agreement includes language permitting the Secretary of Health and Human Services to grant waivers modifying three provisions of the Ryan White State HIV/AIDS grants for four States affected by the 2005 Gulf Coast hurricanes. The Senate amendment included similar language. The House bill did not include a similar provision.

CHAPTER 8

DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

EMERGENCY RELIEF PROGRAM

(INCLUDING RESCISSION OF FUNDS)

The conference agreement includes $682,942,000 for the Emergency Relief Program, instead of $388,903,000 as proposed by the Senate. The House had no similar funding provision. The conference agreement also includes language that waives the per-State per-disaster limitation for the 2005–2006 winter storms which severely impacted forty counties in the State of California. In taking this action, the conferees make eligible the costs associated with this disaster that exceed the statutory limitation but do not prioritize them above the costs associated with any other disaster eligible for emergency relief assistance. The conference agreement eliminates the total current backlog of formal and pending requests for emergency relief funding.

The cost of providing these funds is offset by a rescission of an equal amount of the unobligated balances of funds apportioned to

the states under chapter 1 of title 23, United States Code, excluding safety programs and funds set aside within the state for population areas. The conferees direct the FHWA to administer the rescission by allowing each state maximum flexibility in making adjustments among the apportioned highway programs.

FEDERAL TRANSIT ADMINISTRATION

FORMULA GRANTS

The conference agreement includes $35,000,000, instead of $75,000,000 as proposed by the Senate, for the Federal Transit Administration's formula grant program for emergency expenses associated with the continuation of transit services in communities severely impacted by Hurricanes Katrina and Rita. The conferees direct that funding shall be allocated by the Secretary both for operating expenses necessary to keep transit services affordable for local residents as well as for capital costs associated with the replacement of rolling stock destroyed by the hurricanes. The conferees direct the Federal Transit Administration to make this assistance available without requirement for local match. The House included no similar appropriation.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $7,000,000 for the Office of the Inspector General instead of $10,240,000 as proposed by the House and $5,000,000 as proposed by the Senate. These funds shall be used to meet the necessary HUD OIG expenses related to the auditing and oversight of HUD funds provided previously to address the consequences of Hurricanes Katrina and Rita. These funds shall remain available until expended, as proposed by the Senate. The conferees believe that the oversight of emergency CDBG funds is an important responsibility for the HUD IG to ensure that disaster funds provided for the Gulf are used efficiently and effectively. The conferees expect the OIG to establish benchmarks to identify the effective use of these funds.

Since this is a substantial increase of funding for the OIG, the conferees direct that these supplemental funds not be used solely to increase the number of OIG staff. The conferees cannot be certain that resources will be available to annualize the costs of such a substantial staffing boost. Rather, the conferees expect the OIG to view these supplemental resources as non-recurring and focus these resources on a multi-year effort targeted solely on HUD-related investigations and audits related to the emergency CDBG and other HUD funds provided to rebuild the Gulf region and house low-income tenants.

GENERAL PROVISIONS—THIS CHAPTER

The conference agreement includes a general provision as proposed by the House to extend until December 31, 2007 the existing authority to waive Section 8 income eligibility and tenant contribu-

tion requirements for the Disaster Voucher Program. The Senate did not include a similar provision.

The conference agreement modifies a general provision proposed by both the House and Senate that temporarily exempts specific categories of public housing authorities from the new 12–month formula for the Tenant-Based Rental Assistance program. To the extent a demonstration of need is made, the specific categories are as follows: 1) public housing agencies impacted by Hurricanes Katrina and Rita; and 2) public housing agencies that are under receivership or declared to be in breach of their Annual Contributions Contract. Public housing agencies that spent more than the total of their allocated funds for 2005 and 2006 may not receive a higher allocation. The conference agreement does not include an exemption for public housing authorities operating under the Moving to Work program as proposed by the House.

The conference agreement includes a new general provision that extends until December 31, 2007, the provision of Sec. 901 of Public Law 109–148. This provision will continue to allow public housing authorities in the most heavily impacted areas in Mississippi and Louisiana the flexibility to combine separate funding streams to assist tenants and reconstruct and rehabilitate low-income rental housing.

The conference agreement does not include language proposed by the House to extend the funds associated with the Disaster Voucher Program because Congress has been assured by senior level officials from the Department of Housing and Urban Development (HUD) that HUD will obligate all remaining funds prior to September 30, 2007.

TITLE III—OTHER EMERGENCY APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

The conferees provide $60,400,000, as proposed by the House and the Senate, for disaster relief for commercial salmon fishermen and other eligible entities along the coasts of California and Oregon due to the 2006 salmon fishery failure in the Klamath River as designated under section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)) and declared by the Secretary of Commerce on August 10, 2006.

CHAPTER 2

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATION AND MAINTENANCE

The conference agreement provides $3,000,000 for "Operation and Maintenance" as proposed by the Senate. Funds are provided for emergency dredging needs due to the effects of hurricanes of the 2005 season.

FLOOD CONTROL AND COASTAL EMERGENCIES

The conference agreement provides $150,000,000 for "Flood Control and Coastal Emergencies" as proposed by the Senate in title II. Funds are provided for repairs to eligible Federal facilities damaged by natural disasters and emergency drought assistance.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

WATER AND RELATED RESOURCES

The conference agreement provides $18,000,000 for "Water and Related Resources" as proposed by the Senate.

CHAPTER 3

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $100,000,000 of emergency funding for wildland fire management activities of the Department of the Interior as proposed by both the House and the Senate.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

The conference agreement provides $7,398,000 of emergency funding for activities related to avian flu within the resource management account as recommended by both the House and the Senate.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The conference agreement provides $525,000 of emergency funding for activities related to avian flu within the Operation of

the National Park System account as recommended by both the House and the Senate.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

The conference agreement provides $5,270,000 of emergency funding for activities related to avian flu within the Surveys, Investigations, and Research account as recommended by both the House and the Senate.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

NATIONAL FOREST SYSTEM

The conference agreement includes $12,000,000 of emergency funding for the national forest system as recommended by the Senate instead of no funding as recommended by the House. The conference agreement is consistent with the Senate proposal to increase drug eradication on national forest system lands and clarifies that these funds should be used for law enforcement against all types of drug traffickers. The managers agree that funding should be directed for increased staffing, equipment, training and cooperative agreements to increase protection of national forest lands in areas that face the highest concentration of drug-trafficking activity.

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $400,000,000 of emergency funding for wildland fire management activities of the Forest Service as proposed by both the House and the Senate.

GENERAL PROVISIONS—THIS CHAPTER

Section 3301. The conference agreement replaces language recommended by the House in section 4501 and language recommended by the Senate in Title II, section 2601, dealing with payments for county schools and other purposes. The agreement makes one-time payments to States in the same amounts and in the same manner, to the maximum extent practicable, as were done in 2006 under the Secure Rural Schools and Community Self-Determination Act of 2000. The agreement allows certain revenues, fees, penalties or miscellaneous receipts for both the Forest Service and the Bureau of Land Management, not to exceed $100,000,000, to be distributed, to the maximum extent practicable, in the same amounts, for the same purposes, and in the same manner as were made to States and counties in 2006 under that Act. The agreement also appropriates $425,000,000 of emergency funding to cover any shortfall for payments made under this section from funds not otherwise appropriated. Lastly, the agreement amends this Act to allow the resource advisory committees to function for another full year.

CHAPTER 4

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH AND TRAINING

The conference agreement provides $13,000,000, to remain available until September 30, 2008, for research to develop mine safety technology, including necessary repairs and improvements to leased laboratories as proposed by the Senate. The House bill did not include a similar provision.

The conference agreement includes a bill language provision, as proposed by the Senate, that quarterly progress reports on technology development shall be submitted to the House and Senate Committees on Appropriations, the House Committee on Education and Labor, and the Senate Committee on Health, Education, Labor and Pensions. The House bill did not include a similar provision.

The conference agreement also includes $50,000,000 to remain available until expended for health monitoring and treatment of rescue and recovery workers who responded to the attacks of September 11, 2001 as specified under section 5011 (b) of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006. These funds will continue baseline and follow-up screening, clinical examinations, long-term medical health monitoring, and analysis for rescue and recovery personnel who were exposed to toxins during their service in response to the attacks, and support treatment services for those rescue and recovery personnel suffering illness or injuries related to their exposure. The Senate amendment proposed $3,589,000 for this purpose. The House bill had no similar provision.

ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW-INCOME HOME ENERGY ASSISTANCE

The conference agreement provides $400,000,000 for the Low-Income Home Energy Assistance Program, including $200,000,000 for State block grants and $200,000,000 for the contingent emergency reserve. The Senate amendment included $640,000,000 (equally divided between the State block grants and the emergency reserve) and the House bill included $400,000,000 (also equally divided).

The conference agreement does not include bill language proposed by the House permitting a State, or other grantee, to obligate the block grant through September 30, 2008, to address home energy needs in the event of an emergency or for crisis intervention. The Senate amendment did not contain similar language.

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $625,000,000, to remain available until expended, for the Department of Health and Human Services to prepare for and respond to an influenza pandemic. The House bill included $969,650,000 and the Senate amendment included $820,000,000 for this purpose. These funds are intended to be used to purchase antivirals, establish high-volume domestic surge capacity through vaccine purchases and retrofitting of production facilities, and accelerate development of cell-based vaccine capabilities as proposed by the Administration.

The conference agreement includes bill language provisions proposed by both the House and Senate giving the Secretary various authorities to purchase goods for the stockpile, enter into contracts for the construction or renovation of privately owned facilities for the production of pandemic vaccine or other biologicals, and to transfer funds to other HHS accounts.

The conferees direct the Secretary to provide on a monthly basis to the Committees on Appropriations of the House of Representatives and the Senate a table identifying the obligation, as well as any unobligated balances, of funds received for pandemic influenza preparedness. The level of detail provided in the report should be at the program level identified in the table on the second page of the December 29, 2006, report to Congress on pandemic influenza preparedness spending. This table should be in addition to the semi-annual report to the House and Senate Committees on Appropriations that identifies the disbursement of pandemic influenza preparedness funds at the level of detail specified in the statement of managers accompanying the conference report for the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006.

COVERED COUNTERMEASURE PROCESS FUND

The conference agreement includes $25,000,000, to remain available until expended, for the compensation fund established by the Public Readiness and Emergency Preparedness (PREP) Act. The House bill and the Senate amendment had proposed $50,000,000 for this purpose.

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING RESCISSIONS)

Sec. 3401. (a) The conference agreement includes three provisions rescinding unobligated balances from the Training and Employment Services account under the Department of Labor: $3,589,000 from the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107–38); $834,000 from the Emergency Supplemental Appropriations Act of 1994 (Public Law 103–211); and $71,000 from the Emergency Supplemental Act, 2002 (Public

Law 107–117). The Department of Labor has indicated that these balances are no longer needed for their original purposes. The Senate amendment included only the rescission of $3,589,000 from Public Law 107–38. The House bill did not contain any rescissions of Training and Employment Services funds.

(b) The conference agreement rescinds $4,100,000 from unobligated balances available from the State Unemployment Insurance and Employment Service Operations account under the Department of Labor pursuant to Emergency Supplemental Act, 2002 (Public Law 107–117). Neither the House bill nor the Senate amendment included this rescission.

Sec. 3402. The conference agreement includes a provision similar to one proposed by the Senate providing $8,594,000 for Safe and Drug-Free Schools to address youth violence and related issues in schools that are identified as persistently dangerous under section 9532 of the Elementary and Secondary Education Act of 1965. The House bill did not contain a similar provision.

CHAPTER 5

LEGISLATIVE BRANCH

ARCHITECT OF THE CAPITOL

CAPITOL POWER PLANT

The conference agreement includes $50,000,000 to the Architect of the Capitol for utility tunnel repairs and asbestos abatement. The conferees agree to language that the Architect of the Capitol may not obligate any of the funds appropriated under this heading without approval of an obligation plan by the Committees on Appropriations of the Senate and House of Representatives, as proposed by the Senate. This is the same amount as proposed by the House for asbestos abatement and other improvements, instead of $25,000,000 as proposed by the Senate for emergency utility tunnel repairs and asbestos abatement. The conferees direct the Government Accountability Office to assist the Committees on Appropriations in their oversight of the project through monitoring the Architect of the Capitol's strategic planning and use of resources related to this project.

CHAPTER 6

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

The conferees have not included funding in this account for a pilot program of benefits medical examinations as proposed by the House. The Senate bill contained no similar provision. Instead, the conferees have included funding under General Operating Expenses for authorized examinations to assist in claims processing.

VETERANS HEALTH ADMINISTRATION

MEDICAL SERVICES

The conferees have agreed to provide $466,778,000 for Medical Services, instead of $414,982,000 as proposed by the House and $454,131,000 as proposed by the Senate. The conference agreement includes $228,982,000 for treatment of OIF/OEF veterans; $30,000,000 for at least one new Level I polytrauma care center; $25,000,000 for prosthetics; $100,000,000 for enhancement to mental health services; $9,440,000 for the establishment of residential transitional rehabilitation programs; $10,000,000 for additional caseworkers to facilitate seamless transition; $20,000,000 for substance abuse treatment programs; $20,000,000 for readjustment counseling efforts; $10,000,000 for blind rehabilitation services; $8,000,000 for polytrauma support clinic teams; and $5,356,000 for additional polytrauma points of contact.

The conferees direct the Secretary to provide a report to the Committees on Appropriations of the House of Representatives and the Senate within 60 days of enactment of this Act detailing the number of Level I polytrauma centers to be opened and sites selected. The report should include an analysis of projected demand in areas of the country where Level I polytrauma centers are not readily accessible.

MEDICAL ADMINISTRATION

The conferees have agreed to provide $250,000,000 for Medical Administration as proposed by the Senate instead of $256,300,000 as proposed by the House.

MEDICAL FACILITIES

The conferees have agreed to provide $595,000,000 for Medical Facilities as proposed by both the House and the Senate. The amount provided includes $45,000,000 for facility and equipment upgrades at existing polytrauma care centers. In addition, $550,000,000 is provided for non-recurring maintenance and is to be allocated in a manner not subject to the Veterans Equitable Resource Allocation model.

The conferees have included language in the bill which requires the Department to submit an expenditure plan within 30 days for the use of the non-recurring maintenance funding appropriated. In addition, the Department is to provide semi-annual updates on the expenditure of these funds.

MEDICAL AND PROSTHETIC RESEARCH

The conferees have agreed to provide $32,500,000 for Medical and Prosthetic Research, instead of $35,000,000 as proposed by the House and $30,000,000 as proposed by the Senate.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conferees have agreed to provide $83,200,000 for General Operating Expenses, instead of $62,000,000 as proposed by the House and $46,000,000 as proposed by the Senate. The amount provided includes $20,000,000 for disability medical examinations. Additionally, $60,750,000 is to be used for the expenses related to hiring and training additional disability claims processors and $1,250,000 is to be for digitization of military service records.

The conferees are concerned that effective management structures and inter-agency coordination processes must be in place to ensure that services of the Department of Veterans Affairs are provided in a timely and efficient manner, especially to returning OEF/OIF veterans. In particular, the conferees are concerned about the bureaucratic process many OEF/OIF veterans are encountering in transition from active duty to veteran status. Therefore, the conferees have included funding for the Secretary of Veterans Affairs to award a grant or contract to the National Academy of Public Administration, an independent, non-partisan organization, which was chartered by Congress to assist Federal, State, and local governments in improving their effectiveness, efficiency, and accountability. Such grant or contract shall be to conduct a study of Department management structures in place to provide health care to veterans and active duty personnel of OEF/OIF, and benefits to veterans of OEF/OIF. The study also should look at the organization and management structure of the Department as it relates to providing health care and benefits to the approximately 7.9 million veterans currently enrolled in the system. The conferees direct the Department to execute such grant or contract no later than 30 days after enactment of this Act.

INFORMATION TECHNOLOGY SYSTEMS

The conferees have agreed to provide $35,100,000 for Information Technology Systems, instead of $35,000,000 as proposed by the House and $36,100,000 as proposed by the Senate. The amount provided includes $15,100,000 for electronic data breach remediation and prevention as proposed by the Senate. Also included in the bill is $20,000,000 for system improvements for processing OIF/OEF veterans.

CONSTRUCTION, MAJOR PROJECTS

The conferees have included no funding for Construction, Major Projects, as proposed by the Senate instead of $23,800,000 as proposed by the House.

CONSTRUCTION, MINOR PROJECTS

The conferees have agreed to provide $326,000,000 for Construction, Minor Projects, instead of $260,000,000 as proposed by the House and $355,907,000 as proposed by the Senate. Of the amount provided, up to $36,000,000 may be used for construction of polytrauma residential transitional rehabilitation facilities.

GENERAL PROVISIONS—THIS CHAPTER

The conferees have agreed to include a general provision which directs the Congressional Budget Office to report on the future funding projections for costs associated with providing necessary health care to OIF/OEF veterans, as proposed by the Senate.

The conferees have not included a general provision, proposed by the Senate, which would direct the Department of Veterans Affairs to contract with the National Academy of Public Administration for a study of management practices. The conferees have included similar language in the General Operating Expenses paragraph of the bill.

The conferees have included a general provision which permits the Secretary of Veterans Affairs to transfer facilities to the State of Texas, as proposed by the Senate.

The conferees have included a modified general provision, proposed by the Senate, which provides for contributions to the Department of Defense/Department of Veterans Affairs Health Care Sharing Incentive Fund to remain available until expended.

TITLE IV—OTHER MATTERS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

SALARIES AND EXPENSES

The conference agreement provides $37,500,000 for 'Salaries and Expenses' of the Farm Service Agency instead of $48,000,000 as proposed by the House and $75,000,000 as proposed by the Senate.

The conference agreement includes language that these funds shall only be used for network and database/application stabilization to address immediate needs identified by the Department. The conferees direct the Secretary to provide a monthly update to the Committees on Appropriations of the House of Representatives and the Senate on the progress of this project, including usage of funds as proposed by the Senate.

The conferees note that the Farm Service Agency computer system that is responsible for processing payments for all Farm Bill programs administered by the Farm Service Agency has been experiencing periodic shutdowns due to capacity overloads, causing the efficiency of thousands of Farm Service Agency county office employees to decrease dramatically. The conferees are aware that a plan to upgrade this system is being developed by USDA. The conferees direct the Secretary to submit to the Committees on Appropriations of the House of Representatives and the Senate, and the agriculture authorizing committees of the House of Representatives and the Senate a report that has been approved by the Office of Management and Budget and reviewed by the Government Accountability Office. The report shall include: (1) An enterprise architecture; (2) an Information Technology Human Capital Plan; (3) a capital investment plan for implementing the enterprise architec-

ture; (4) a description of the information technology capital planning and investment control process; and (5) a spending plan. The spending plan shall include each specific project funded, key milestones, all funding sources for each project, details of annual and lifecycle costs, and projected savings or cost avoidance to be achieved by the project.

GENERAL PROVISIONS—THIS CHAPTER

Section 4101. The conference agreement includes language regarding the Food and Drug Administration as proposed by the House.

Sec. 4102. The conference agreement includes language to prevent the Food Safety and Inspection Service (FSIS) from implementing a risk-based inspection program in any location until the USDA Office of the Inspector General (OIG) has studied the program, including a review of the adequacy of the FSIS plan for evaluating pilot projects, and reported its findings to FSIS and the Committees on Appropriations of the House of Representatives and the Senate; and FSIS has addressed and resolved issues identified by the OIG.

The conferees emphasize that FSIS should continue other activities related to the implementation of the program, such as data collection and public meetings. The conferees recognize that moving forward with the risk-based inspection program without comprehensive and accurate scientific data to rank product risk and an unbiased system for determining establishment risk would have the potential of jeopardizing public health.

The conference agreement does not include a rescission of unobligated balances from the Trade Adjustment Assistance program as proposed by the Senate.

The conference agreement does not include language regarding the implementation of the Wetlands Reserve Program and the Farmland Protection Program as proposed by the Senate.

The conference agreement does not include language regarding the Rural Utilities Service Guaranteed Underwriting Program as proposed by the Senate.

CHAPTER 2

GENERAL PROVISIONS—THIS CHAPTER

Section 4201. The Committee has included a provision designating all Federal employees at the National Energy Technology Laboratory as inherently governmental.

Sec. 4202. The Committee has included a provision related to the Bonneville Power Administration.

CHAPTER 3

GENERAL PROVISIONS—THIS CHAPTER

Section 4301. The conference agreement modifies a provision proposed by the House (section 4301) to amend section 102(a)(3)(B) of the Help America Vote Act of 2002 by striking "January 1, 2006" and inserting "March 1, 2008". The Senate bill did not include similar language.

Sec. 4302. The conference agreement includes a provision proposed by the Senate (section 3301) requiring the components of the Office of National Drug Control Policy to remain as they were on October 1, 2006, and requiring approval of the Committees on Appropriations to implement a reorganization. The House bill did not include similar language.

Sec. 4303. The conference agreement includes language proposed by the Senate (section 3304) authorizing the National Archives and Records Administration to spend fiscal year 2007 funds for activities of the Public Interest Declassification Board. The House bill did not include similar language.

Sec. 4304. The conference agreement includes language proposed by the Senate (section 3307) to provide flexibility to reallocate $1,000,000 in fiscal year 2007 funds for the District of Columbia Courts. The House bill did not include similar language.

Sec. 4305. The conference agreement includes modified language proposed by the Senate (section 3307) requiring that the Treasury Department, in coordination with the Securities and Exchange Commission and in consultation with the Departments of State and Energy, prepare and submit a report, with a classified annex as necessary, to Congress concerning companies known to conduct business operations relating to natural resource extraction in Sudan. The language further directs the General Services Administration to notify Congress of any existing Federal contracts with the identified companies. The House bill did not include similar language.

Sec. 4306. The conference agreement modifies a provision proposed by the Senate (section 3308) extending the availability of $4,500,000 in fiscal year 2007 funding for the General Services Administration, Office of Inspector General. The House bill did not include similar language.

Sec. 4307. The conference agreement includes language proposed by the Senate (section 3309) which allows the District of Columbia to use funds made available for foster care improvements according to a spending plan submitted to Congress within 60 days. The House bill did not include similar language.

The conference agreement does not include language proposed as Senate section 3302 concerning funds made available in section 21075 of the Continuing Appropriations Resolution, 2007.

The conference agreement does not include language proposed as Senate section 3303 to make a technical correction to a recipient of funds under section 613 of P.L. 109–108.

The conference agreement does not include language proposed as Senate section 3305 to require the resubmission of a fiscal year 2007 spending plan by the General Services Administration within 7 days.

The conference agreement does not include language proposed as Senate section 3310 to authorize a cost of living adjustment for federal judges and justices for fiscal year 2007.

CHAPTER 4

DEPARTMENT OF HOMELAND SECURITY

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING RESCISSIONS OF FUNDS)

Section 4401.—The conferees modify a provision proposed by the Senate to address a funding shortfall in the United States Coast Guard "Retired Pay" appropriation. The House bill contains no similar provision. The conferees note that estimates for this appropriation have been woefully inaccurate over the past several years and direct the Coast Guard to take immediate action to improve the quality and reliability of the data used in its estimates. Within 45 days after the date of enactment of this Act, the Coast Guard shall submit a report on steps being taken to improve the accuracy of its estimates for the "Retired Pay" appropriation. In addition, the conferees direct the Coast Guard to submit quarterly information to the Committees on Appropriations on the use of unobligated balances made available by this Act to address the projected shortfall in this appropriation, as well as updated estimates for fiscal year 2008.

Sec. 4402.—The conferees modify provisions proposed by the House and Senate regarding Coast Guard contracting and the Integrated Deepwater Systems program.

Sec. 4403.—The conferees include a provision proposed by the Senate regarding Coast Guard's Civil Engineering Program. The House bill contains no similar provision.

Sec. 4404.—The conferees modify a provision proposed by the House and rescind $30,900,000 from unobligated balances made available pursuant to section 505 of Public Law 109-90. The House bill rescinds $89,800,000. The Senate bill contains no similar provision. The conferees note the Department's poor planning and slow use of funds available pursuant to section 505. In addition, to address an urgent operational need, the conferees provide $30,000,000 for Coast Guard "Acquisition, Construction, and Improvements" to help mitigate the patrol boat operational gap. No additional appropriation was included in either the House or Senate bills. The Coast Guard is currently operating 25,000 hours, or twenty-five percent, short of its needed patrol boat mission hours. This "gap" means that undocumented migrants, drugs, and other unlawful activity are less likely to be intercepted by the Coast Guard. Funding provided in this section is to be used to acquire four new Coastal Patrol Boats, as was requested by the Department of Homeland Security via official correspondence on March 11, 2007. This includes the production, warranty, training, spares, outfitting and project management costs for all four patrol boats. The Coast Guard has indicated these new Coastal Patrol Boats will partially relieve the burden on existing 110′ patrol boats until a replacement patrol boat can be placed in service. Currently, Florida-based 110′ patrol boats average more than 5,500 mission hours annually which can be performed by the smaller 87′ Coastal Patrol Boats operating out of the three primary Florida ports of Tampa, Miami and Key West. This will allow the 110′ patrol boats cur-

rently operating in these areas to be utilized farther south where undocumented migrant traffic and drug smuggling are more prevalent. In addition, the conferees provide $900,000 for the Under Secretary for Management to award a grant or contract to the National Academy of Public Administration to compare the Department of Homeland Security's reported senior career and political staffing levels and senior career training programs with those of similarly structured cabinet-level agencies.

Sec. 4405.—The conferees include a provision proposed by the House regarding limitations on lead system integrators. The Senate bill contains no similar provision.

The conferees do not include a provision proposed by the House regarding Border Patrol checkpoints. The Senate bill includes no similar provision.

CHAPTER 5

GENERAL PROVISIONS—THIS CHAPTER

Section 4501 includes a technical correction to the Bureau of Indian Affairs language in P.L. 110–5 as recommended by the Senate in Title III, section 3501 so the Bureau may pay certain contract support costs. The House had a similar provision in section 4502.

Sec. 4502 includes a technical correction to P.L. 110–5 as recommended by the Senate in Title III, section 3502, to allow the Indian Health Service to pay certain contract support costs and transfer $7,300,000 from "Services" to "Facilities". The House had a similar provision in section 4503.

Sec. 4503 provides a technical correction to P.L. 110–5 designating the funding level for the Save America's Treasures program of the National Park Service, Historic Preservation Fund which was recommended by both the House and the Senate.

Sec. 4504 modifies a provision recommended by the Senate in Title III, section 3504 that allows the Fish and Wildlife Service to use land acquisition funds for land conservation partnerships authorized by the Highlands Conservation Act of 2004. The House had no similar provision.

The conference agreement does not include the proposal in Senate Title II, Chapter 6, section 2601 to reauthorize the Secure Rural Schools and Community Self-Determination Act of 2000. The conference agreement deals with this issue in Title III.

The conference agreement does not include Senate recommended sections 3505, regarding the Water Environment Research Foundation, and 3506 related to EPA grant funding.

CHAPTER 6

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

(TRANSFER OF FUNDS)

The conference agreement includes language proposed by the House transferring $49,500,000 from the National Institutes of Health, National Institute of Allergy and Infectious Diseases, to the Office of the Secretary, Public Health and Social Services Emergency Fund, to support advanced research and development of biodefense countermeasures. This work is to be conducted by the Assistant Secretary for Preparedness and Response, consistent with the authority provided in the Pandemic and All-Hazards Preparedness Act. The Senate amendment included similar language.

OFFICE OF THE DIRECTOR

(TRANSFER OF FUNDS)

In addition to the funds transferred above, the conference agreement includes language which transfers $49,500,000 from the National Institutes of Health, Office of the Director, to the Office of the Secretary, Public Health and Social Services Emergency Fund. These funds would further increase funding for advanced research and development of biodefense countermeasures, consistent with the authority provided in the Pandemic and All-Hazards Preparedness Act. Neither the House bill nor Senate amendment included this component of the advanced development transfer.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

The conference agreement includes $300,000, to remain available until expended, for expenses related to meeting the requirements of the Post-Katrina Emergency Management Reform Act, pertaining to emergency preparedness planning to address the needs of individuals with disabilities. Neither the House bill nor the Senate amendment included this provision.

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING TRANSFERS OF FUNDS AND RESCISSION)

Section 4601. The conference agreement includes language authorizing the transfer of $7,000,000 from the Pension Benefit Guaranty Corporation to the Employee Benefits Security Administration (EBSA) for the development of the EFAST2 electronic Form 5500 filing system, as proposed by both the House bill and Senate amendment. These funds, together with not less than $5,000,000 available from the fiscal year 2007 appropriation for the EBSA, shall be available for obligation for the EFAST2 system until September 30, 2008. The House bill required that $7,500,000 from EBSA's fiscal year 2007 appropriation be used for the EFAST2 sys-

tem and allowed the funds to be available for obligation for two years, while the Senate amendment proposed funding of not less than $5,000,000, without extended availability.

The conferees expect EBSA to contribute an additional amount of $2,500,000 from its fiscal years 2007 and 2008 appropriations for this system, generated by one-time cost savings proposed in the last two years' budget requests. The conferees also expect EBSA to minimize any potential negative impact of the project's financing on enforcement activities, and compliance outreach and education programs. The conferees request a briefing on EBSA's plans for the EFAST2 system prior to the announcement of the availability of funds for its development.

Sec. 4602. The conference agreement includes a provision amending the Continuing Appropriations Resolution, 2007 that designates $9,666,000 for the Women's Bureau within the appropriation for "Departmental Management, Salaries and Expenses" under the Department of Labor. Neither the House bill nor the Senate amendment included this provision.

The conferees are concerned that the progress being made by International Labor Organization's International Program to Eliminate Child Labor (IPEC), which is aimed at eradicating the most abusive forms of child labor could be jeopardized by the Department of Labor's plans not to make the United States contribution to this program for FY 2007. Last May the ILO reported that the number of exploited children fell by 11 percent between 2000 and 2004, and that the organization believes that if the current pace of decline were to be sustained, the global commitment to stop child labor could feasibly eliminate most of the worst forms of this practice within 10 years. This is a longstanding program with a unique approach that relies on the obligations of ILO Member States under the requirements of ILO Convention 182 on the Worst Forms of Child Labor. The conferees are concerned that if the United States—the largest contributor—pulls its funding commitment to this program, that action would set back the global partnership and have real consequences in specific countries where IPEC projects are underway.

The conferees believe the Department has the flexibility to continue this program under its own procurement guidelines. The conferees expect that any alternative approach should yield equal or better results. Therefore, the conferees direct the Department to submit a report to the Committees on Appropriations of the Senate and the House of Representatives that justifies any proposed approach for the use of these funds by providing information to demonstrate that the alternative approach will be as effective as the IPEC tripartite program before any of these funds are obligated to alternative entities.

Sec. 4603. The conference agreement includes a provision that designates $23,000,000 for poison control centers within the appropriation for "Health Resources and Services" under the Department of Health and Human Services. Neither the House bill nor the Senate amendment included this provision. The conferees direct HRSA to submit a revised operating plan within fifteen days of enactment of this Act to the Committees on Appropriations of the House of

Representatives and the Senate with respect to any changes to that plan that result from this provision.

Sec. 4604. The conference agreement rescinds $1,000,000 from the Office of the Secretary in the Department of Health and Human Services as proposed by the Senate and deletes a Senate provision pertaining to Public Law 108–406. The House bill did not include these provisions.

The conferees are concerned about delays in receiving technical assistance from the Department of Health and Human Services. There have been several instances in which the Department has not responded to Committee requests for information in a prompt, timely fashion. In addition, after repeated complaints, communications between the Department and the Committee staff continue to be a major problem. The conferees direct the Department to expedite future information requests through the Office of Resources and Technology and request that the Office of Legislative Affairs and the Office of Resources and Technology coordinate their efforts to keep Committee staff fully informed on matters concerning the Committee.

Sec. 4607. The conference agreement includes bill language permitting the Chief Executive Officer of the Corporation for National and Community Service (CNCS) to transfer not more than $1,360,000 from "National and Community Services Programs, Operating Expenses" to CNCS "Salaries and Expenses" as proposed by the Senate. The House bill did not include a similar provision.

The conferees direct that this funding be taken from the Innovations, Assistance, and Other Activities budget line to complete the Service Center Consolidation Plan rather than the National Service Trust.

Sec. 4608. The conference agreement includes a provision proposed by the Senate modifying section 1310.12(a) of title 45 of the Code of Federal Regulations with respect to Head Start transportation vehicles. The conferees expect that the ultimate regulation governing the safety of Head Start transit vehicles will be consistent with the National Highway Traffic Safety Administration study on occupant protection on Head Start Transit vehicles. The conferees intend the interim rule to be in effect only until the Department has reviewed such study and has made any necessary revisions to be consistent with the study outcomes.

The conference agreement does not include language proposed by the Senate which would have created exceptions for two hospitals in Minnesota and Mississippi so that they could be certified as Medicare critical access hospitals. The House bill contained no similar provision.

The conference agreement does not include a provision proposed by the Senate rescinding $2,000,000 from student aid administration in the Department of Education and providing $2,000,000 for a grant to the University of Vermont or the provision also proposed by the Senate repealing the former provision. The House bill did not include similar provisions.

The conference agreement does not include a provision proposed by the Senate to create an authorization of appropriations for a grant to the Delta Health Alliance. The House bill did not contain a similar provision.

The conference agreement does not include a provision proposed by the House extending the availability of a portion of funds previously appropriated for veterans employment and training activities with the Department of Labor. The Senate amendment did not include this provision. The conferees agree that the House provision is not needed because the Department already has the authority to incur obligations for this program through December 31, 2007.

CHAPTER 7

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

The conference agreement provides $165,200 for payment to Gloria W. Norwood, widow of Charles W. Norwood, late a Representative from the State of Georgia, as proposed by the House. Inasmuch as this item relates solely to the House, the managers on the part of the Senate, at the request of the managers on the part of the House, have receded to the amendment of the House.

CHAPTER 8

DEPARTMENT OF STATE

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

CONSTRUCTION

The conference agreement does not include an appropriation to augment funding in fiscal year 2007 for the Rio Grande Flood Control System Rehabilitation project, as proposed by the House. The Senate included no similar provision.

GENERAL PROVISIONS—THIS CHAPTER

The conference agreement does not include a provision proposed by the Senate (sec. 3901) concerning the United States-China Economic and Security Review Commission. The House bill included no similar provision.

Sec. 4801. Technical Amendment—The conference agreement includes a provision clarifying the availability of certain funds in fiscal year 2007, making a technical change to the composition of the Board of the Middle East Foundation and clarifying the availability of funding in fiscal year 2007 for the Foreign Military Financing Program, as proposed by the Senate. The House bill included the same provision regarding the Middle East Foundation.

Sec. 4802. Funding Limitation—The conference agreement includes a provision proposed by the House (sec. 4802) concerning the modification of funding limitations on the Department of State's

Bureau of Legislative Affairs for fiscal year 2007. The Senate bill included no similar provision.

The conferees direct that funding for the Bureau not exceed $11,383,000, the amount requested in the fiscal year 2007 budget.

CHAPTER 9

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $6,150,000 for the Office of Federal Housing Enterprise Oversight instead of $7,568,000 as proposed by the House and $4,800,000 as proposed by the Senate. The conference agreement includes language as proposed by the Senate that reduces this appropriation to zero dollars through offsetting collections.

GENERAL PROVISIONS—THIS CHAPTER

The conference agreement includes a general provision proposed by the Senate regarding a pilot program on cross-border trucking between the United States and Mexico. The House did not include a similar provision.

The conference agreement modifies a general provision proposed by the House that allows funds provided in fiscal year 2007 for the National Transportation Safety Board to be used to make capital lease payments due in fiscal year 2007. The Senate did not include a similar provision.

The conference agreement includes a general provision proposed by both the House and the Senate to clarify the fiscal year 2007 levels of funding for the Tenant-Based Rental Assistance account.

The conference agreement includes a general provision proposed by the House to allow housing projects subsidized with project-based certificates to be renewed under the Project-Based Rental Assistance program. The Senate did not include a similar provision.

The conference agreement does not include a provision proposed by the House making a technical change to a proviso regarding the "Moving to Work" program.

The conference agreement does not include a provision proposed by the Senate regarding asset-based management because the Department of Housing and Urban Development has administratively changed the compliance date to October 1, 2007.

TITLE V

AGRICULTURAL ASSISTANCE

The conferees direct the Secretary to adhere to all existing federal statutes, program regulations, executive orders and program guidance or directives to ensure that compensation is provided only

where appropriate and allowed under such reglations, orders or guidance and that the integrity of the program is maintained without exception.

Section. 5101. The conference agreement includes language regarding Crop Disaster Assistance providing financial assistance to producers on a farm who incurred qualifying quantity or quality losses for a 2005, 2006 or 2007 crop before February 28, 2007 due to damaging weather or any related condition.

The conference agreement does not include a separate provision for sugar beet and sugar cane disaster assistance as proposed by the Senate. Qualifying losses are covered under the Crop Disaster Assistance provision.

Sec. 5102. The conference agreement includes language providing financial assistance through the Livestock Compensation Program and the Livestock Indemnity Program for livestock losses and livestock indemnity payments to producers on farms that have incurred livestock losses between January 1, 2005 and February 28, 2007.

Sec. 5103. The conference agreement provides $20,000,000 for the Emergency Conservation Program as proposed by the House instead of $35,000,000 as proposed by the Senate.

The conference agreement does not include a separate provision for the tree assistance program as proposed by the Senate. Qualifying losses are covered under the Emergency Conservation Program provision.

Sec. 5104. The conference agreement includes language regarding payment limitations.

Sec. 5105. The conference agreement includes provisions regarding the administration of the foregoing sections.

Sec. 5106. The conference agreement includes language regarding the National Dairy Market Loss Payment program.

Sec. 5107. The conference agreement provides $20,000,000 instead of $95,000,000 as proposed by the Senate for payments to dairy producers for losses in counties designated as disaster areas.

Sec. 5108. The conference agreement includes language to clarify the use of claims adjustors.

Sec. 5109. The conference agreement does not provide funding for the Small Business Economic Loss Grant Program. Instead, the conference agreement provides $21,000,000 to carry out activities authorized under section 2281 of the Food, Agriculture, Conservation and Trade Act of 1990 (42 U.S.C. 5177a) to provide emergency grants to assist low-income migrant and seasonal farmworkers. The conferees are aware that storms and other natural disasters have caused serious disruption to local economies and individuals who are involved in agriculture but will not otherwise qualify for assistance under this title.

Sec. 5110. The conference agreement includes language regarding the Conservation Security Program as proposed by the Senate. In fiscal year 2007, producers hold previously executed contracts with the Department of Agriculture on which they have relied for undertaking various conservation measures. As a consequence of current federal funding levels, many producers will be unable this fiscal year to recover costs already incurred that are associated with their contract performance. The conference agreement will

allow the Department of Agriculture to meet the intended outcome of contracts executed between the Department and the affected producers, and to take other measures as appropriate under existing authorities.

Sec. 5111. The conference agreement provides $30,000,000, as proposed by the Senate, to cover necessary costs related to the administration of programs, of which $8,500,000, as identified by the Farm Service Agency, is for information technology upgrades to assist in carrying out the agricultural disaster assistance provisions of this title.

Sec. 5112. The conference agreement includes language to clarify participation in a crop insurance pilot program.

The conference agreement does not provide funding for fresh spinach growers and first handlers as proposed by the House.

The conference agreement does not include language regarding payments to fresh spinach growers and first handlers as proposed by the Senate.

The conference agreement does not provide funding for the peanut storage costs program as proposed by the House.

The conference agreement does not provide funding for aquaculture losses as proposed by the House.

The conference agreement does not provide funding for flooded crop and grazing land as proposed by the Senate.

The conference agreement does not provide funding for insect infestations as proposed by the Senate.

TITLE VI

ELIMINATION OF SCHIP SHORTFALL AND OTHER MATTERS

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR MEDICARE AND MEDICAID SERVICES

STATE CHILDREN'S HEALTH INSURANCE FUND

The conference agreement includes an appropriation of $650,000,000 to eliminate anticipated State Children's Health Insurance Program (SCHIP) funding shortfalls for fiscal year 2007 for 14 States. The House bill provided $750,000,000; the Senate amendment included an appropriation of such sums as necessary.

Sec. 6001. The conference agreement includes language similar to provisions in both the House bill and Senate amendment which amend the authorizing law to describe the States considered to be in shortfall.

Sec. 6002. The conference agreement includes language which prohibits the Secretary of the Department of Health and Human Services from taking action in the next year to finalize or otherwise implement a proposed regulation affecting the Medicaid program or any regulation restricting payments for graduate medical education under the Medicaid progam. The Senate amendment had similar language prohibiting implementation of the rules for two years. The House bill did not contain a similar provision.

The bill includes a provision to offset the estimated cost of blocking the Medicaid rules in this section. This provision: (1) requires States, as a condition of receiving Federal matching funds

in Medicaid, to require all providers to use tamper-proof prescription drug pads when writing prescriptions for Medicaid beneficiaries; and (2) extends certain Pharmacy Plus waivers under the Medicaid program. The Senate amendment contained a different offset, which increased the required rebate for drugs sold through the Medicaid program. The House bill contained no similar provision.

TITLE VII

FAIR MINIMUM WAGE AND TAX RELIEF

SUBTITLE A—FAIR MINIMUM WAGE

The conference agreement includes provisions to increase the Federal minimum wage in the United States to $7.25 an hour over two years as proposed by both the House and the Senate. The conference agreement also provides for Federal minimum wage increases of $0.50 per hour, beginning 60 days after enactment, and annually thereafter, in the Commonwealth of the Northern Mariana Islands and American Samoa, until their minimum wage reaches that of the United States. In addition, the agreement requires that the Department of Labor, through the Bureau of Labor Statistics, transmit a report to Congress assessing the impact of wage increases in the Commonwealth of the Northern Mariana Islands and American Samoa not later than 32 months after enactment.

The House bill included a phased increase of $0.50 upon enactment, and $1.00 annually thereafter, in the Federal minimum wage for both the Commonwealth of the Northern Mariana Islands and American Samoa until their minimum wage reaches that of the United States, while the Senate amendment provided a phased increase of $0.50 upon enactment, and $1.00 annually thereafter, in the Federal minimum wage for the Commonwealth of the Northern Mariana Islands, but no increase in American Samoa.

SUBTITLE B—SMALL BUSINESS INCENTIVES

The conference agreement modifies small business and work opportunity provisions in the Senate amendment that provide enhanced compliance assistance for small businesses, authorize a program for small business child care grants at the Department of Health and Human Services, require a study on certain aspects of the Earned Income Tax Credit, authorize renewal grants for women's business centers, and require a report under the Buy American Act. The House bill did not contain similar provisions.

SUBTITLE C

SMALL BUSINESS TAX INCENTIVES

The conference agreement modifies provisions in the House bill and Senate amendment regarding small business incentives. The conference agreement extends the Work Opportunity Tax Credit ("WOTC") through August 31, 2011, later than the House proposed but sooner than the Senate proposed. The conference agreement expands WOTC to include more veterans with service-connected dis-

abilities, "high risk youth," and employees in "outward migration counties." The House and the Senate had proposed various enhancements.

The conference agreement enhances the tip credit for certain small businesses by freezing the minimum wage level for purposes of calculating the credit. The House had similar language, but the Senate did not.

The conference agreement permanently waives both individual and corporate alternative minimum tax limitations on WOTC and tip credits. The House had similar language, but the Senate did not.

The conference agreement extends small business expensing under section 179 through 2010 and increases the expensing limit from the current $112,000 to $125,000, as the House had proposed. The Senate had similar language.

The conference agreement extends and expands several tax provisions affecting Gulf Opportunity Zones affected by hurricanes Katrina, Rita and Wilma. The agreement modifies language proposed by the Senate. The House did not include similar language.

The conference agreement makes several changes to the treatment of Subchapter S corporations. The Senate had proposed similar language. The House did not include similar language.

The conference agreement raises the age of children whose unearned income is taxed as their parents' income. The House and Senate both had similar language.

The conference agreement modifies IRC section 6404(g) which provides for suspension of interest and certain penalties, from the current 18 months after filing to 36 months. The House had proposed 22 months and the Senate had proposed repeal of suspensions.

The conference agreement increases the penalty for bad checks and money orders, creates a new penalty on claims for refunds filed without any reasonable basis, and expands the penalties on tax return preparers. Both House and Senate proposed similar language.

The conference agreement increases the estimated tax payments due July through September, 2012 for corporations with assets in excess of $l billion. The House had similar language, but the Senate did not.

CONTRACTING REFORM

The conference agreement does not include language proposed by the House (as title V of the House bill) relating to federal contracting reform.

NOTIFICATION OF EMERGENCY LEGISLATION

The congressional budget resolution (H. Con. Res. 95) agreed to by Congress for fiscal year 2006, and both the House and Senate versions of the congressional budget resolution for fiscal year 2007 include provisions relating to the notification of emergency spending. These provisions require a statement of how the emergency provisions contained in the conference agreement meet the criteria for emergency spending as identified in the budget resolution.

The conference agreement contains emergency funding for fiscal year 2007 for the global war on terror, hurricane recovery in

the gulf coast region, emerging threats to homeland security, pandemic influenza prevention, unmet veterans' healthcare needs, and agriculture disaster relief. The funding is related to unanticipated needs and is for situations that are sudden, urgent, and unforeseen, specifically the global war on terror and the hurricanes of 2005. These needs meet the criteria for emergencies.

EARMARKS

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, this conference report contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2007 recommended by the Committee of Conference, comparisons to the 2007 budget estimates, and the House and Senate bills for 2007 follow:

(In thousands of dollars)

Budget estimates of new (obligational) authority, fiscal year 2007	103,015,427
House bill, fiscal year 2007	124,315,636
Senate bill, fiscal year 2007	122,807,084
Conference agreement, fiscal year 2007	124,173,007
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 2007	+21,157,580
House bill, fiscal year 2007	−142,629
Senate bill, fiscal year 2007	+1,365,923

DAVID R. OBEY,
ROSA L. DELAURO,
JOHN P. MURTHA,
PETER J. VISCLOSKY,
NITA LOWEY,
CAROLYN KILPATRICK,
NORMAN D. DICKS,
CHET EDWARDS,
ALAN B. MOLLOHAN,
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DEBBIE WASSERMAN SCHULTZ,
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ROBERT C. BYRD,
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