I thank Senator Thomas for living the legend and involving us and America.

I have a unanimous consent request to read.

Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of and the Senate now proceed to S. Res. 482.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 482) designating July 26, 2008, as ''National Day of the American Cowboy.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. ENZI. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 482) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 482

Whereas pioneering men and women, recognized as ''cowboys'', helped establish the American West;

Whereas the cowboy embodies honesty, integrity, courage, compassion, respect, a strong work ethic, and patriotism;

Whereas the cowboy spirit exemplifies strength of character, sound family values, and good common sense;

Whereas the cowboy archetype transcends ethnicity, gender, geographic boundaries, and political affiliations;

Whereas the cowboy is an excellent steward of the land and its creatures, who lives off of the land and works to protect and enhance the environment;

Whereas cowboy traditions have been a part of American culture for generations;

Whereas the cowboy continues to be an important part of the economy through the work of approximately 727,000 ranchers in all 50 of the United States that contribute to the economic well-being of nearly every county in the Nation;

Whereas annual attendance at professional and working ranch rodeo events exceeds 27,000,000 fans and rodeo is the 7th most-watched sport in the Nation;

Whereas membership and participation in rodeo and other organizations that promote and encompass the livelihood of a cowboy span every generation and transcend race and gender;

Whereas the cowboy is a central figure in literature, film, and music and occupies a central place in the public imagination;

Whereas the cowboy is an American icon; and

Whereas the ongoing contributions made by cowboys and cowgirls to their communities should be recognized and encouraged: Now, therefore, be it

Resolved, That the Senate—

(1) designates July 26, 2008, as ''National Day of the American Cowboy''; and

(2) encourages the people of the United States to observe the day with appropriate ceremonies and activities.

Mr. ENZI. Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

SENATOR TED KENNEDY

Mr. REID. Mr. President, first of all, let me say this, before we get into Senate business. I made some remarks outside the Senate Chamber, as I always do, following our Tuesday caucus. I had with me Senator CHRIS DODD and Senator JOHN KERRY. The purpose of our being there was to talk about Senator KENNEDY; and we did that.

Amidst the politics and partisanship that takes place in the Senate, the casual observer may not realize how the Senate is a family. We are 100 men and women who work hard during the day, each of us doing our very best to make the country a better place. We argue, we debate, but we approach each other with deep respect and friendship.

That is why, in the heat of battle, I always refer to my Republican counterpart as my friend. That is just not something we do for protocol. That is because MITCH MCCONNELL is my friend. We say that as we proceed through our debates.

But just as we, as Senators, celebrate joyous occasions—birthdays, weddings, new children and grandchildren—we also face hardship together.

Today, we learned the concerning news about our friend, an American icon, an American legend, Senator TED KENNEDY. I know I speak for every Senator that our thoughts and prayers are with TED and his family.

I had a conversation on the floor with Senator MCCONNELL. He told me during the Republican caucus today they paused to say a prayer for Senator KENNEDY, as we did in our caucus.

One of Senator KENNEDY's brothers was killed in combat in World War II. Of course, we all know his brother, President Kennedy, was assassinated. We all know Attorney General Robert Kennedy, Senator Robert Kennedy, was assassinated.

As I said outside, the thing I remember and will always remember about Senator TED KENNEDY is the speech he gave at his brother's funeral. I was not a Member of Congress at that time, but I watched on national television the speech he gave. It was remarkable what he said and how he delivered it. I will never forget that.

But in addition to that, we know one thing—all of us who know TED KENNEDY—he is a fighter. We have heard this lion roar on the Senate floor on so many occasions. His work ethic is unsurpassed. His effectiveness is legendary. The challenge Senator KENNEDY now faces will not be easy, but I think no one is more prepared to fight and beat it.

I spoke at 1 o'clock to Vicki, his wonderful wife, and she said he has approached this like he does everything: with determination that he is going to beat it. She said he has a bounce in his step today that he has not had in a long time.

So he is in good spirits. He is full of energy. If TED happens to be watching on C–SPAN, I want him to know all his brothers and sisters in the Senate are thinking of him, cheering, and praying for him.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. MCCONNELL. Mr. President, the Republican conference, at noon today, paused for a prayer for our friend and colleague, TED KENNEDY. As the majority leader has indicated, we are, in spite of our political differences, one large family.

Senator KENNEDY enjoys great respect and admiration on this side of the aisle. He is, indeed, one of the most important figures to ever serve in this body in our history, and Republican Senators recognize that as well.

On a personal basis, he came down to the University of Louisville, at my request, a couple years ago to speak to students and the general public on the campus. It was a speech of Presidential quality. He knew I had been an intern in the office of Senator John Sherman Cooper, who represented my State in the Senate for almost 20 years and who was a fast friend of his brother, President Kennedy, and of his. He brought down with him to U of L that day a framed picture of his brother with Senator Cooper, carefully inscribed at the bottom with the most appropriate inscription you can imagine. He did not miss a thing.

Our prayers go out to Vicki and to the family.

On behalf of every member of the Republican conference of the Senate, I say to you, TED, you enjoy our admiration and our respect, and our wishes for a speedy recovery.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

MILITARY CONSTRUCTION AND VETERANS AFFAIRS APPROPRIATIONS ACT, 2008

Mr. REID. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.R. 2642, the supplemental appropriations bill.

The PRESIDING OFFICER. The clerk will report the message.

The assistant legislative clerk read as follows:

H.R. 2642

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

(1) Page 60 of the Senate engrossed amendment, after line 3, insert the following:

TITLE X—POLICY REGARDING OPERATIONS IN IRAQ

SENSE OF CONGRESS REGARDING UNITED STATES MILITARY PERSONNEL

SEC. 10001. It is the sense of the Congress that the performance of United States military personnel should be commended, their courage and

sacrifice have been exceptional, and when they come home, their service should be recognized appropriately.

UNITS DEPLOYED FOR COMBAT TO BE FULLY MISSION CAPABLE

SEC. 10002. (a) The Congress finds that it is the policy of the Department of Defense that units should not be deployed for combat unless they are rated ''fully mission capable''.

(b) None of the funds made available in this or any other Act may be used to deploy any unit of the Armed Forces to Iraq unless the President has certified in writing to the Committees on Appropriations and the Committees on Armed Services of the House of Representatives and the Senate at least 15 days in advance of the deployment that the unit is fully mission capable in advance of entry into Iraq.

(c) For purposes of subsection (b), the term ''fully mission capable'' means capable of performing assigned mission essential tasks to the prescribed standards under the conditions expected in the theater of operation, consistent with the guidelines set forth in the DoD Directive 7730.65, Subject: Department of Defense Readiness Reporting System; the Interim Force Allocation Guidance to the Global Force Management Board, dated February 6, 2008; and Army Regulation 220–1, Subject: Unit Status Reporting, dated December 19, 2006.

(d) The President, by certifying in writing to the Committees on Appropriations and the Committees on Armed Services of the House of Representatives and the Senate that the deployment to Iraq of a unit that is not assessed 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 unit commander's assessment that the unit is not mission capable, may waive the limitations prescribed in subsection (b) on a unit-by-unit basis.

TIME LIMIT ON COMBAT DEPLOYMENTS

SEC. 10003. (a) The Congress finds that it is the policy of the Department of Defense that Army, Army Reserve, and National Guard units should not be deployed for combat beyond 365 days and that Marine Corps and Marine Corps Reserve units should not be deployed for combat beyond 210 days.

(b) None of the funds 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 as of January 9, 2007.

(d) The President may waive the limitations prescribed in subsection (b) on a unit-by-unit basis if the President certifies in writing to the Committees on Appropriations and the Committees on Armed Services of the House of Representatives and the Senate that the extension of a unit's deployment in Iraq beyond the period applicable to the unit under such subsection is required for reasons of national security. The certification shall include a report, in classified and unclassified form, detailing the particular reason or reasons why the unit's extended deployment is necessary.

DWELL TIME BETWEEN COMBAT DEPLOYMENTS

SEC. 10004. (a) The Congress finds that it is the policy of the Department of Defense that an Army, Army Reserve, or National Guard unit should not be redeployed for combat if the unit has been deployed within the previous 365 consecutive days and that a Marine Corps or Marine Corps Reserve unit should not be redeployed for combat if the unit has been deployed within the previous 210 days.

(b) None of the funds 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 as of January 9, 2007.

(d) The President may waive the limitations prescribed in subsection (b) on a unit-by-unit basis if the President certifies in writing to the Committees on Appropriations and the Committees on Armed Services of the House of Representatives and the Senate that the redeployment of a unit to Iraq in advance of the expiration of the period applicable to the unit under such subsection is required for reasons of national security. The certification shall include a report, in classified and unclassified form, detailing the particular reason or reasons why the unit's early redeployment is necessary.

LIMITATION ON INTERROGATION TECHNIQUES

SEC. 10005. (a) No individual in the custody or under the effective control of an element of the intelligence community or instrumentality thereof, regardless of nationality or physical location, shall be subject to any treatment or technique of interrogation not authorized by the United States Army Field Manual on Human Intelligence Collector Operations.

(b) In this section, the term ''instrumentality'', with respect to an element of the intelligence community, means a contractor or subcontractor at any tier of the element of the intelligence community.

REGISTRATION WITH THE INTERNATIONAL COMMITTEE OF THE RED CROSS

SEC. 10006. (a) None of the funds appropriated or otherwise made available in this or any other Act may be used to detain any individual who is in the custody or under the effective control of an element of the intelligence community or an instrumentality thereof unless the International Committee of the Red Cross is provided notification of the detention of and access to such person in a timely manner and consistent with the practices of the Armed Forces of the United States.

(b) For purposes of this section, the term ''instrumentality'', with respect to an element of the intelligence community, means a contractor or subcontractor at any tier of the element of the intelligence community.

(c) Nothing in this section shall be construed to create or otherwise imply the authority to detain, or to limit or otherwise affect any other rights or obligations which may arise under the Geneva Conventions or other laws, or to state all of the situations under which notification to and access for the International Committee of the Red Cross is required or allowed.

PROHIBITION OF PERMANENT BASES IN IRAQ

SEC. 10007. None of the funds appropriated or otherwise made available in this or any other Act may 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.

LIMITATION ON DEFENSE AGREEMENTS WITH THE GOVERNMENT OF IRAQ

SEC. 10008. (a) None of the funds appropriated or otherwise made available in this or any other Act may be used to negotiate, enter into, or implement any agreement with the Government of Iraq that includes security assurances for mutual defense, unless the agreement—

(1) is in the form of a treaty requiring the advice and consent of the Senate (or is intended to take that form in the case of an agreement under negotiation); or

(2) is specifically authorized by a law enacted after the date of enactment of this Act.

(b) For purposes of this section, an agreement shall be considered to include security assurances for mutual defense if it includes provisions addressing any of the following:

(1) A binding commitment to deploy United States Armed Forces in defense of Iraq, or of any government or faction in Iraq, against any foreign or domestic threat.

(2) The number of United States Armed Forces personnel to be deployed to, or stationed in, Iraq.

(3) The mission of United States Armed Forces deployed to Iraq.

(4) The duration of the presence of United States Armed Forces in Iraq.

PROHIBITION ON AGREEMENTS SUBJECTING ARMED FORCES TO IRAQI CRIMINAL JURISDICTION

SEC. 10009. None of the funds appropriated or otherwise made available in this or any other Act may be used to negotiate, enter into, or implement an agreement with the Government of Iraq that would subject members of the Armed Forces of the United States to the jurisdiction of Iraq criminal courts or punishment under Iraq law.

REQUIREMENT FOR MATCHING FUNDS FROM GOVERNMENT OF IRAQ

SEC. 10010. (a) Notwithstanding any other provision of law, funds appropriated or otherwise made available in this or any other Act for assistance for Iraq, including training, capacity building, and construction and repair of infrastructure, shall be available only to the extent that the Government of Iraq matches such assistance on a dollar-for-dollar basis.

(b) subsection (a) shall not apply to—

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

(2) the Community Action Program and other direct assistance to non-governmental organizations;

(3) humanitarian demining;

(4) assistance for refugees, internally displaced persons, and civilian victims of military operations;

(5) intelligence or intelligence-related activities; or

(6) projects with an estimated cost of less than $750,000 undertaken through the Commander's Emergency Response Program.

(c) The Secretary of State and the Secretary of Defense shall certify to the Committees on Appropriations of the House of Representatives and Senate, prior to the initial obligation by their respective Departments of funds covered by the limitation in subsection (a), that the Government of Iraq has committed to obligate matching funds on a dollar-for-dollar basis. The Secretary of State shall submit a report to the Committees on Appropriations not later than September 30, 2009 detailing the amounts of funds obligated and expended by the Government of Iraq to meet the requirements of this section.

(d) Not later than 45 days after enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations detailing the amounts provided by the Government of Iraq since June 30, 2004, to assist Iraqi refugees in Syria, Jordan, and elsewhere, and the amount of such assistance the Government of Iraq plans to provide in fiscal year 2008. The Secretary shall work expeditiously with the Government of Iraq to establish an account within its annual budget sufficient to, at a minimum, match United States contributions on a dollar-for-dollar basis to organizations and programs for the purpose of assisting Iraqi refugees.

(e) As part of the report required by section 609 of division L of the Consolidated Appropriations Act, 2008 (Public Law 110–161), the Secretary of Defense shall submit to Congress a report on the most recent annual budget for the Government of Iraq, including—

(1) a description of amounts budgeted for support of Iraqi security and police forces and an assessment of how planned funding will impact the training, equipping and overall readiness of those forces;

(2) an assessment of the capacity of the Government of Iraq to implement the budget as planned, including reports on year-to-year spend rates, if available; and

(3) a description of any budget surplus or deficit, if applicable.

PARTIAL REIMBURSEMENT FROM IRAQ FOR FUEL COSTS

SEC. 10011. (a) None of the funds made available in this Act under the heading ''Operation and Maintenance, Defense-Wide'' for the Office of the Secretary of Defense or Washington Headquarters Services may be obligated or expended until the agreement described in subsection (b)(1) is complete and the report required by subsection (b)(2) has been transmitted to Congress, except that the limitation in this subsection may be waived if the President determines and certifies to the Committees on Appropriations of the House of Representatives and Senate that such waiver is in the national security interests of the United States.

(b) Not later than 90 days after enactment of this Act, the President shall—

(1) complete an agreement with the Government of Iraq to subsidize fuel costs for United States Armed Forces operating in Iraq so the price of fuel per gallon to those forces is equal to the discounted price per gallon at which the Government of Iraq is providing fuel for domestic Iraqi consumption; and

(2) transmit a report to the Committees on Appropriations on the details and terms of that agreement.

(c) Amounts received from the Government of Iraq under an agreement described in subsection (b)(1) shall be credited to the appropriations or funds that incurred obligations for the fuel costs being subsidized, as determined by the Secretary of Defense.

TIMETABLE FOR REDEPLOYMENT OF UNITED STATES FORCES FROM IRAQ

SEC. 10012. (a) Notwithstanding any other provision of law, funds appropriated or otherwise made available in this Act may be used to plan and execute a safe and orderly redeployment of United States Armed Forces from Iraq.

(b) Within 30 days after enactment of this Act, the President shall commence an immediate and orderly redeployment of United States Armed Forces from Iraq, with a goal of completing such redeployment within 18 months. The President shall endeavor to begin such redeployment with units of the Armed Forces that have been deployed in excess of 365 days, except to the extent those units are needed to provide for the safe withdrawal of other units of the Armed Forces or to protect United States and Coalition personnel and infrastructure.

(c) After completion of the redeployment required by subsection (b), members of the United States Armed Forces may be deployed to, or maintained in, Iraq only to the extent necessary to carry out the following missions:

(1) Protecting the diplomatic facilities, Armed Forces, and citizens of the United States in Iraq.

(2) Conducting limited training of, equipping, and providing logistical and intelligence support to, Iraqi security forces.

(3) Engaging in targeted counterterrorism operations against al-Qaeda, groups affiliated with al-Qaeda, and other terrorist organizations in Iraq.

(d) Not later than July 1, 2008, and every 90 days thereafter, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the following:

(1) The current plan for and the status of the reduction of United States Armed Forces in Iraq and the transition of the Armed Forces in Iraq to a limited presence whose missions do not exceed the missions specified in subsection (c), including the associated force reductions and adjustments and expectations with respect to timelines and the force levels anticipated to perform those missions.

(2) A comprehensive current description of efforts to prepare for the reduction and transition of United States Armed Forces in Iraq in accordance with this section and to limit any destabilizing consequences of such reduction and transition, including a description of efforts to work with the United Nations and countries in the region toward that objective.

(e) Not later than 45 days after enactment of this Act, the Secretary of State shall provide to the Committees on Appropriations of the House of Representatives and Senate a strategy for civilian-led post-conflict stabilization and reconstruction assistance for Iraq. The strategy (which may be provided in classified form if necessary) shall include—

(1) the plans and timetable for transfer of all responsibility for United States post-conflict stabilization and reconstruction assistance from the Department of Defense to the Department of State and the United States Agency for International Development; and

(2) the staff, security and resource requirements for United States diplomatic efforts and assistance programs in Iraq.

TITLE XI—REFORMS RELATED TO WAR PROFITEERING AND CONTRACTORS

CHAPTER 1—ADJUSTMENT OF WARTIME STATUTE OF LIMITATIONS

ADJUSTMENT OF WARTIME STATUTE OF LIMITATIONS

SEC. 11101. Section 3287 of title 18, United States Code, is amended—

(1) by inserting ''or Congress has enacted a specific authorization for the use of the Armed Forces, as described in section 5(b) of the War Powers Resolution (50 U.S.C. 1544(b)),'' after ''is at war'';

(2) by inserting ''or directly connected with or related to the authorized use of the Armed Forces'' after ''prosecution of the war'';

(3) by striking ''three years'' and inserting ''5 years'';

(4) by striking ''proclaimed by the President'' and inserting ''proclaimed by a Presidential proclamation, with notice to Congress,''; and

(5) by adding at the end the following: ''For purposes of applying such definitions in this section, the term 'war' includes a specific authorization for the use of the Armed Forces, as described in section 5(b) of the War Powers Resolution (50 U.S.C. 1544(b)).''.

CHAPTER 2—WAR PROFITEERING AND FRAUD

WAR PROFITEERING AND FRAUD

SEC. 11201. (a) PROHIBITION ON WAR PROFITEERING.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''§ 1041. War profiteering and fraud

''(a) PROHIBITION.—Whoever, in any matter involving a contract with, or the provision of goods or services to, the United States or a provisional authority, in connection with a mission of the United States Government overseas, knowingly—

''(1)(A) executes or attempts to execute a scheme or artifice to defraud the United States or that authority; or

''(B) materially overvalues any good or service with the intent to defraud the United States or that authority;

shall be fined not more than $1,000,000 or imprisoned not more than 20 years, or both; or

''(2) in connection with the contract or the provision of those goods or services—

''(A) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;

''(B) makes any materially false, fictitious, or fraudulent statements or representations; or

''(C) makes or uses any materially false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry;

shall be fined not more than $1,000,000 or imprisoned not more than 10 years, or both.

''(b) EXTRATERRITORIAL JURISDICTION.—There is extraterritorial Federal jurisdiction over an offense under this section.

''(c) VENUE.—A prosecution for an offense under this section may be brought—

''(1) as authorized by chapter 211 of this title;

''(2) in any district where any act in furtherance of the offense took place; or

''(3) in any district where any party to the contract or provider of goods or services is located.''.

(2) TABLE OF SECTIONS.—The table of sections for chapter 47 of such title is amended by adding at the end the following:

''1041. War profiteering and fraud.''.

(b) CRIMINAL FORFEITURE.—Section 982(a)(2)(B) of title 18, United States Code, is amended by striking ''or 1030'' and inserting ''1030, or 1041''.

(c) MONEY LAUNDERING.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ''section 1041 (relating to war profiteering and fraud),'' after ''liquidating agent of financial institution),''.

(d) RICO.—Section 1961(1) of title 18, United States Code, is amended by inserting ''section 1041 (relating to war profiteering and fraud),'' after ''in connection with access devices),''.

CHAPTER 3—MILITARY EXTRATERRITORIAL JURISDICTION

SHORT TITLE

SEC. 11301. This chapter may be cited as the ''MEJA Expansion and Enforcement Act of 2008''.

LEGAL STATUS OF CONTRACT PERSONNEL

SEC. 11302. (a) CLARIFICATION OF MILITARY EXTRATERRITORIAL JURISDICTION ACT.—

(1) INCLUSION OF FEDERAL EMPLOYEES AND CONTRACTORS.—Section 3261(a) of title 18, United States Code, is amended—

(A) in paragraph (1), by striking ''or'' at the end;

(B) in paragraph (2), by striking the comma at the end and inserting a semicolon; and

(C) by inserting after paragraph (2) the following new paragraphs:

''(3) while employed by any Department or agency of the United States other than the Armed Forces in a foreign country in which the Armed Forces are conducting a qualifying military operation; or

''(4) while employed as a security officer or security contractor by any Department or agency of the United States other than the Armed Forces,''.

(2) DEFINITIONS.—Section 3267 of title 18, United States Code, is amended—

(A) in paragraph (1), by striking subparagraph (A) and inserting the following new subparagraph:

''(A) employed by or performing services under a contract with or grant from the Department of Defense (including a nonappropriated fund instrumentality of the Department) as—

''(i) a civilian employee (including an employee from any other Executive agency on temporary assignment to the Department of Defense);

''(ii) a contractor (including a subcontractor at any tier); or

''(iii) an employee of a contractor (including a subcontractor at any tier);''; and

(B) by adding at the end the following new paragraphs:

''(5) The term 'employed by any Department or agency of the United States other than the Armed Forces' means—

''(A) employed by or performing services under a contract with or grant from any Department or agency of the United States, or any provisional authority funded in whole or substantial part or created by the United States Government, other than the Department of Defense as—

''(i) a civilian employee;

''(ii) a contractor (including a subcontractor at any tier); or

''(iii) an employee of a contractor (including a subcontractor at any tier);

''(B) present or residing outside the United States in connection with such employment; and

''(C) not a national of or ordinarily a resident in the host nation.

''(6) The term 'employed as a security officer or security contractor by any Department or agency of the United States other than the Armed Forces' means—

''(A) employed by or performing services under a contract with or grant from any Department or agency of the United States, or any provisional authority funded in whole or substantial part or created by the United States Government, other than the Department of Defense as—

''(i) a civilian employee;

''(ii) a contractor (including a subcontractor at any tier); or

''(iii) an employee of a contractor (including a subcontractor at any tier);

''(B) authorized in the course of such employment—

''(i) to provide physical protection to or security for persons, places, buildings, facilities, supplies, or means of transportation;

''(ii) to carry or possess a firearm or dangerous weapon, as defined by section 930(g)(2) of this chapter;

''(iii) to use force against another; or

''(iv) to supervise individuals performing the activities described in clause (i), (ii) or (iii);

''(C) present or residing outside the United States in connection with such employment; and

''(D) not a national of or ordinarily resident in the host nation.

''(7) The term 'qualifying military operation' means—

''(A) a military operation covered by a declaration of war or an authorization of the use of military force by Congress;

''(B) a contingency operation (as defined in section 101 of title 10); or

''(C) any other military operation outside of the United States, including a humanitarian assistance or peace keeping operation, provided such operation is conducted pursuant to an order from or approved by the Secretary of Defense.''.

(b) DEPARTMENT OF JUSTICE INSPECTOR GENERAL REPORT.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Department of Justice, in consultation with the Inspectors General of the Department of Defense, the Department of State, the United States Agency for International Development, the Department of Agriculture, the Department of Energy, and other appropriate Federal departments and agencies, shall submit to Congress a report in accordance with this subsection.

(2) CONTENT OF REPORT.—The report under paragraph (1) shall include, for the period beginning on October 1, 2001, and ending on the date of the report—

(A) unless the description pertains to nonpublic information that relates to an ongoing investigation or criminal or civil proceeding under seal, a description of any alleged violations of section 3261 of title 18, United States Code, reported to the Inspector Generals identified in paragraph (1) or the Department of Justice, including—

(i) the date of the complaint and the type of offense alleged;

(ii) whether any investigation was opened or declined based on the complaint;

(iii) whether the investigation was closed, and if so, when it was closed;

(iv) whether a criminal or civil case was filed as a result of the investigation, and if so, when it was filed; and

(v) any charges or complaints filed in those cases; and

(B) unless the description pertains to nonpublic information that relates to an ongoing investigation or criminal or civil proceeding under seal, and with appropriate safeguards for the protection of national security information, a description of any shooting or escalation of force incidents in Iraq or Afghanistan involving alleged misconduct by persons employed as a security officer or security contractor by any Department or agency of the United States, and any official action taken against such persons.

(3) FORM OF REPORT.—The report under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex as appropriate.

INVESTIGATIVE UNITS FOR CONTRACTOR OVERSIGHT

SEC. 11303. (a) ESTABLISHMENT OF INVESTIGATIVE UNITS FOR CONTRACTOR OVERSIGHT.—

(1) IN GENERAL.—The Attorney General, in consultation with the Secretary of Defense, the Secretary of State, the Secretary of Homeland Security, and the heads of any other Federal departments or agencies responsible for employing private security contractors or contractors (or subcontractors at any tier) in a foreign country where the Armed Forces are conducting a qualifying military operation—

(A) shall assign adequate personnel and resources through the creation of Investigative Units for Contractor Oversight to investigate allegations of criminal violations under paragraphs (3) and (4) of section 3261(a) of title 18, United States Code (as amended by section 11302(a) of this chapter); and

(B) may authorize the overseas deployment of law enforcement agents and other Department of Justice personnel for that purpose.

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall limit any existing authority of the Attorney General or any Federal law enforcement agency to investigate violations of Federal law or deploy personnel overseas.

(b) REFERRAL FOR PROSECUTION.—Upon conclusion of an investigation of an alleged violation of sections 3261(a)(3) and 3261(a)(4) of title 18, United States Code, an Investigative Unit for Contractor Oversight may refer the matter to the Attorney General for further action, as appropriate in the discretion of the Attorney General.

(c) RESPONSIBILITIES OF THE ATTORNEY GENERAL.—

(1) INVESTIGATION.—The Attorney General shall have the principal authority for the enforcement of sections 3261(a)(3) and 3261(a)(4) of title 18, United States Code, and shall have the authority to initiate, conduct, and supervise investigations of any alleged violations of such sections 3261(a)(3) and 3261(a)(4).

(2) ASSISTANCE ON REQUEST OF THE ATTORNEY GENERAL.—Notwithstanding any statute, rule, or regulation to the contrary, the Attorney General may request assistance from the Secretary of Defense, the Secretary of State, or the head of any other Executive agency to enforce this chapter. This requested assistance may include the assignment of additional personnel and resources to an Investigative Unit for Contractor Oversight established by the Attorney General under subsection (a).

(3) ANNUAL REPORT.—Not later than one year after the date of enactment of this Act, and annually thereafter, the Attorney General, in consultation with the Secretary of Defense and the Secretary of State, shall submit to Congress a report containing—

(A) the number of violations of sections 3261(a)(3) and 3261(a)(4) of title 18, United States Code, received, investigated, and referred for prosecution by Federal law enforcement authorities during the previous year;

(B) the number and location of Investigative Units for Contractor Oversight deployed to investigate violations of such sections 3261(a)(3) and 3261(a)(4) during the previous year; and

(C) any recommended changes to Federal law that the Attorney General considers necessary to enforce this chapter and the amendments made by this chapter and chapter 212 of title 18, United States Code.

REMOVAL PROCEDURES FOR NON-DEPARTMENT OF DEFENSE EMPLOYEES AND CONTRACTORS

SEC. 11304. (a) ATTORNEY GENERAL REGULATIONS.—Section 3266 of title 18, United States Code, is amended by adding at the end the following:

''(d) The Attorney General, after consultation with the Secretary of Defense, the Secretary of State, and the Director of National Intelligence, may prescribe regulations governing the investigation, apprehension, detention, delivery, and removal of persons described in sections 3261(a)(3) and 3261(a)(4) and describing the notice due, if any, foreign nationals potentially subject to the criminal jurisdiction of the United States under those sections.''.

(b) CLARIFYING AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Chapter 212 of title 18, United States Code, is amended—

(A) in section 3261(a)—

(i) by inserting ''against the United States'' after ''offense'' the first time it appears; and

(ii) by inserting ''within the United States or'' after ''had been engaged in'';

(B) in section 3262—

(i) in subsection (a), by striking ''section 3261(a)'' the first place it appears and inserting ''section 3261(a)(1) or 3261(a)(2)'';

(ii) by redesignating subsection (b) as subsection (c); and

(iii) by inserting after subsection (a) the following new subsection (b):

''(b) The Attorney General may designate and authorize any person serving in a law enforcement position in the Department of Justice, the Department of Defense, the Department State, or any other Executive agency to arrest, in accordance with applicable international agreements, outside the United States any person described in section 3261(a) if there is probable cause to believe that such person violated section 3261(a).'';

(C) in section 3263(a), by striking ''section 3261(a)'' the first place it appears and inserting ''section 3261(a)(1) or 3261(a)(2)'';

(D) in section 3264(a), by inserting ''described in section 3261(a)(1) or 3261(a)(2)'' before ''arrested'';

(E) section 3265(a)(1) by inserting ''described in section 3261(a)(1) or 3261(a)(2)'' before ''arrested''; and

(F) in section 3266(a), by striking ''under this chapter'' and inserting ''described in section 3261(a)(1) or 3261(a)(2)''.

(2) ADDITIONAL AMENDMENT.—Section 7(9) of title 18, United States Code, is amended by striking ''section 3261(a)'' and inserting ''section 3261(a)(1) or 3261(a)(2)''.

RULES OF CONSTRUCTION

SEC. 11305. (a) IN GENERAL.—Nothing in this chapter or the amendments made by this chapter shall apply to authorized and otherwise lawful intelligence activities carried out by or at the direction of the United States.

(b) DEFENSES.—Nothing in this section shall be construed to limit or extinguish any defense or protection otherwise available to any person or entity from suit, civil or criminal liability, or damages, or to provide immunity from prosecution for any criminal offense by the proper authorities.

(c) EXISTING EXTRATERRITORIAL JURISDICTION.—Nothing in this chapter or the amendments made by this chapter shall be construed to limit or affect the extraterritorial jurisdiction related to any Federal statute not amended by this chapter.

DEFINITION

SEC. 11306. For purposes of this chapter and the amendments made by this chapter, the term ''Executive agency'' has the meaning given in section 105 of title 5, United States Code.

EFFECTIVE DATE

SEC. 11307. (a) IMMEDIATE EFFECTIVENESS.—The provisions of this chapter shall enter into effect immediately upon the enactment of this Act.

(b) IMPLEMENTATION.—The Attorney General and the head of any other Federal department or agency to which this chapter applies shall have 90 days after the date of the enactment of this Act to ensure compliance with the provisions of this chapter.

(2) Page 1 of the Senate engrossed amendment, strike line 1 and all that follows through the end of line 21 on page 59, and insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2008, and for other purposes, namely:

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

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

For an additional amount for ''Public Law 480 Title II Grants'', $850,000,000, to remain available until expended.

For an additional amount for ''Public Law 480 Title II Grants'', $395,000,000, to become available on October 1, 2008, and to remain available until expended.

CHAPTER 2—COMMERCE, JUSTICE, AND SCIENCE

DEPARTMENT OF JUSTICE

OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Office of Inspector General'', $4,000,000, to remain available until September 30, 2009.

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, 2009.

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, 2009.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $18,621,000, to remain available until September 30, 2009.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $92,169,000, to remain available until September 30, 2009.

For an additional amount for ''Salaries and Expenses'', $82,600,000, to become available on October 1, 2008, and to remain available until September 30, 2009.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $12,166,000, to remain available until September 30, 2009.

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, 2009.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $9,100,000, to remain available until September 30, 2009.

CHAPTER 3—MILITARY CONSTRUCTION AND VETERANS AFFAIRS

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION, ARMY

For an additional amount for ''Military Construction, Army'', $1,432,700,000, to remain available until September 30, 2009: 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 $73,400,000 shall be available for study, planning, design, and architect and engineer services: Provided further, That of the funds made available under this heading, $72,000,000 shall not be obligated or expended until after that date on which the Secretary of Defense submits a detailed spending plan, including a 1391 form for each facilities replacement project, to the Committees on Appropriations of the House of Representatives and Senate: Provided further, That of the funds provided under this heading, $533,700,000 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 United States military personnel in Iraq.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Military Construction, Navy and Marine Corps'', $423,357,000, to remain available until September 30, 2009: 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 $15,843,000 shall be available for study, planning, design, and architect and engineer services.

MILITARY CONSTRUCTION, AIR FORCE

For an additional amount for ''Military Construction, Air Force'', $409,627,000, to remain available until September 30, 2009: 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 $36,427,000 shall be available for study, planning, design, and architect and engineer services: Provided further, That of the funds provided under this heading, $58,300,000 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 United States military personnel in Iraq.

MILITARY CONSTRUCTION, DEFENSE-WIDE

For an additional amount for ''Military Construction, Defense-Wide'', $1,009,600,000, to remain available until September 30, 2009: 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, $982,000,000 shall be for medical treatment facilities construction (including planning and design) and shall remain available until September 30, 2012.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Family Housing Construction, Navy and Marine Corps,'' $11,766,000, to remain available until September 30, 2009: 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.

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), $1,354,634,000, to remain available until expended: 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.

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For an additional amount for ''General Operating Expenses'', $100,000,000, to remain available until September 30, 2009.

INFORMATION TECHNOLOGY SYSTEMS

For an additional amount for ''Information Technology Systems'', $20,000,000, to remain available until September 30, 2009.

GENERAL PROVISION, THIS CHAPTER

SEC. 1301. None of the funds appropriated in this or any other Act may be used to terminate, reorganize, or relocate the Armed Forces Institute of Pathology until the President has established, as required by section 722 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181; 122 Stat. 199; 10 U.S.C. 176 note), a Joint Pathology Center.

CHAPTER 4—DEPARTMENT OF STATE AND FOREIGN OPERATIONS

SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $1,606,808,000, to remain available until September 30, 2009, of which $210,508,000 for worldwide security protection is available until expended: Provided, That not more than $1,295,000,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq: Provided further, That of the funds appropriated under this heading, not more than $30,000,000 shall be available to establish and implement a coordinated civilian response capacity at the United States Department of State.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of Inspector General'', $7,500,000, to remain available until September 30, 2009: Provided, That $2,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance'', $76,700,000, to remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $53,000,000 to remain available until September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'',

$333,600,000, to remain available until September 30, 2009, for the United Nations–African Union Hybrid Mission in Darfur.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $200,000,000, 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'', $142,000,000, to remain available until September 30, 2009: Provided, That of the funds appropriated under this heading, not more than $20,000,000 shall be available to establish and implement a coordinated civilian response capacity at the United States Agency for International Development.

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'', $4,000,000, to remain available until September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'', $1,747,000,000, to remain available until September 30, 2009, of which not more than $440,000,000 may be made available for assistance for Iraq, $150,000,000 shall be made available for assistance for Jordan to meet the needs of Iraqi refugees, and up to $53,000,000 may be available for energy-related assistance for North Korea, notwithstanding any other provision of law: Provided, That not more than $100,000,000 of the funds appropriated under this heading shall be made available for assistance for the West Bank and none of such funds shall be for cash transfer assistance: Provided further, That of the funds appropriated under this heading, $1,000,000 shall be made available for the Office of the United Nations High Commissioner for Human Rights in Mexico: Provided further, That the funds made available under this heading for energy-related assistance for North Korea may be made available to support the goals of the Six Party Talks Agreements after the Secretary of State determines and reports to the Committees on Appropriations that North Korea is continuing to fulfill its commitments under such agreements.

DEPARTMENT OF STATE

DEMOCRACY FUND

For an additional amount for ''Democracy Fund'', $75,000,000, to remain available until September 30, 2009, for democracy programs in Iraq.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $419,300,000, to remain available until September 30, 2009: Provided, That not more than $25,000,000 of the funds appropriated by this subchapter shall be made available for security assistance for the West Bank.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $300,000,000, to remain available until expended.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For an additional amount for ''United States Emergency Refugee and Migration Assistance Fund'', $25,000,000, to remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', $11,200,000, to remain available until September 30, 2009.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $72,500,000, to remain available until September 30, 2009, of which up to $66,500,000 shall be made available for assistance for Mexico.

SUBCHAPTER B—BRIDGE FUND SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2009

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $737,900,000, which shall become available on October 1, 2008 and remain available through September 30, 2009: Provided, That of the funds appropriated under this heading, $78,400,000 is for worldwide security protection and shall remain available until expended: Provided further, That not more than $581,500,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for ''Office of Inspector General'', $57,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009: Provided, That $46,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight and up to $5,000,000 shall be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance,'' $41,300,000, which shall become available on October 1, 2008 and remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $75,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'', $150,500,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for ''International Broadcasting Operations'', $8,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

GLOBAL HEALTH AND CHILD SURVIVAL

For an additional amount for ''Global Health and Child Survival'', $75,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, for programs to combat avian influenza.

DEVELOPMENT ASSISTANCE

For an additional amount for ''Development Assistance'', $200,000,000, for assistance for developing countries to address the international food crisis notwithstanding any other provision of law, which shall become available on October 1, 2008 and remain available through September 30, 2010: Provided, That such assistance should be carried out consistent with the purposes of section 103(a)(1) of the Foreign Assistance Act of 1961: Provided further, That not more than $50,000,000 should be made available for local or regional purchase and distribution of food: Provided further, That the Secretary of State shall submit to the Committees on Appropriations not later than 45 days after enactment of this Act, and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of such funds to alleviate hunger and malnutrition, including a list of those countries facing significant food shortages.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $200,000,000, which shall become available on October 1, 2008 and 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'', $93,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

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'', $1,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund,'' $1,147,300,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, of which not more than $100,000,000 may be made available for assistance for Iraq, $100,000,000 shall be made available for assistance for Jordan, and $15,000,000 may be made available for energy-related assistance for North Korea, notwithstanding any other provision of law: Provided, That not more than $150,000,000 of the funds appropriated under this heading in this subchapter shall be made available for assistance for the West Bank.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $204,500,000, which shall become available on October 1, 2008 and remain available through September 30, 2009: Provided, That not more than $50,000,000 of the funds made available by this subchapter shall be made available for security assistance for the West Bank and up to $53,500,000 shall be made available for assistance for Mexico.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $350,000,000, which shall become available on October 1, 2008 and remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

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

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $170,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, of which $100,000,000 shall be made available for assistance for Jordan and up to $50,000,000 shall be made available for assistance for Mexico: Provided, That section 3802(c) of title III, chapter 8 of Public Law 110–28 shall apply to funds made available under this heading for assistance for Lebanon.

PEACEKEEPING OPERATIONS

For an additional amount for ''Peacekeeping Operations'', $85,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

SUBCHAPTER C—GENERAL PROVISIONS, THIS CHAPTER

EXTENSION OF AUTHORITIES

SEC. 1401. Funds appropriated by this chapter 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)).

AFGHANISTAN

SEC. 1402 (a) ASSISTANCE FOR WOMEN AND GIRLS.—Funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan shall be made available, to the maximum extent practicable, through local Afghan provincial and municipal governments and Afghan civil society organizations and in a manner that emphasizes the participation of Afghan women and directly improves the economic, social and political status of Afghan women and girls.

(b) HIGHER EDUCATION.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are made available for education programs in Afghanistan, not less than 50 percent shall be made available to support higher education and vocational training programs in law, accounting, engineering, public administration, and other disciplines necessary to rebuild the country, in which the participation of women is emphasized.

(c) CIVILIAN ASSISTANCE.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan, not less than $2,000,000 shall be made available for a United States contribution to the North Atlantic Treaty Organization/International Security Assistance Force Post-Operations Humanitarian Relief Fund.

(d) ANTICORRUPTION.—Not later than 90 days after enactment of this Act, the Secretary of State shall—

(1) submit a report to the Committees on Appropriations on actions being taken by the Government of Afghanistan to combat corruption within the national and provincial governments, including to remove and prosecute officials who have committed corrupt acts;

(2) submit a list to the Committees on Appropriations, in classified form if necessary, of senior Afghan officials who the Secretary has credible evidence to believe have committed corrupt acts; and

(3) certify and report to the Committees on Appropriations that effective mechanisms are in place to ensure that assistance to national government ministries and provincial governments will be properly accounted for.

WEST BANK

SEC. 1403. Not later than 90 days after the date of enactment of this Act, and 180 days thereafter, the Secretary of State shall submit to the Committees on Appropriations a report on assistance provided by the United States for the training of Palestinian security forces, including detailed descriptions of the training, curriculum, and equipment provided; an assessment of the training and the performance of forces after training has been completed; and a description of the assistance that has been pledged and provided to Palestinian security forces by other donors: Provided, That not later than 90 days after the date of enactment of this Act, the Secretary of State shall report to the Committees on Appropriations, in classified form if necessary, on the security strategy of the Palestinian Authority.

MEXICO

SEC. 1404. (a) ASSISTANCE FOR MEXICO.—Of the funds appropriated under the headings ''International Narcotics Control and Law Enforcement'', ''Foreign Military Financing Program'', and ''Economic Support Fund'' in this chapter, not more than $296,500,000 of the funds appropriated in subchapter A and $103,500,000 of the funds appropriated in subchapter B shall be made available for assistance for Mexico, only to combat drug trafficking and related violent crime, and for judicial reform, institution building, and rule of law activities, of which not less than $73,500,000 shall be used for judicial reform, institution building, and rule of law activities: Provided, That none of the funds made available under this section shall be made available for budget support or as cash payments: Provided further, That none of the funds made available under this section shall be available for obligation until the Secretary of State determines and reports to the Committees on Appropriations that vetting procedures are in place to ensure that relevant members and units of the Mexican armed forces and police forces that may receive assistance pursuant to this section have not been involved in human rights violations or corrupt acts.

(b) ALLOCATION OF FUNDS.—25 percent of the funds made available by this chapter for assistance for Mexico under the headings ''International Narcotics Control and Law Enforcement'' and ''Foreign Military Financing Program'' shall be withheld from obligation until the Secretary of State reports to the Committees on Appropriations on the requirements described in subsection (c).

(c) REQUIREMENTS.—The requirements referred to in subsection (b) are the following:

(1) The Government of Mexico is—

(A) improving the transparency and accountability of Federal police forces and engaging with state and municipal authorities to improve the transparency and accountability of state and municipal police forces through mechanisms such as police complaints commissions;

(B) ensuring meaningful engagement with civil society to monitor efforts to combat drug trafficking and related violent crime, judicial reform, institution building, and rule of law activities to ensure due process and the protection of freedom of expression, association, and assembly in accordance with Mexican and international law; and

(C) ensuring that, in accordance with applicable Mexican law, the Mexican armed forces and the Federal police forces are cooperating with civilian prosecutors and judicial authorities in investigating and prosecuting in the civilian justice system those individuals, including military personnel, who have been credibly alleged under Mexican law to have committed violations of internationally recognized human rights, and, consistent with Mexican and international law, is vigorously enforcing the prohibition on the use of testimony obtained through torture or other ill-treatment.

(2) The Federal Public Security Secretary and the Minister of Defense, respectively, in accordance with applicable Mexican law, are suspending or placing on administrative duty, those members of the Federal police and armed forces who have been credibly alleged under Mexican law, to have committed violations of internationally recognized human rights or participated in corrupt acts and have established policies that reward respect for human rights, in particular regarding the use of force.

(3) The Attorney General and other relevant authorities of the Mexican Government are investigating and prosecuting members of the Mexican armed forces and police forces who have been credibly alleged under Mexican law to have committed violations of internationally recognized human rights.

(d) EXCEPTION.—Notwithstanding subsections (b) and (c), of the funds appropriated by subchapter A for assistance for Mexico under the heading ''International Narcotics Control and Law Enforcement'', $3,000,000 shall be made available for technical and other assistance to enable the Government of Mexico to implement a unified national registry encompassing Federal, state, and municipal police officials, and $5,000,000 may be made available to the Bureau of Alcohol, Tobacco, Firearms and Explosives to deploy special agents in Mexico to support Mexican law enforcement agencies in tracing seized firearms and investigating firearms trafficking cases: Provided, That section 484(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291c(a)) shall not apply with respect to assistance for Mexico made available by this chapter.

(e) REPORT.—The report required in subsection (b) shall include a description of actions taken with respect to each requirement specified in subsection (c) and the cases or issues brought to the attention of the Secretary of State for which the response or action taken has been inadequate.

(f) VETTING.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a report, in classified form if necessary, detailing the procedures used to vet Mexican armed forces and police forces for eligibility to receive assistance under this section.

(g) NOTIFICATION.—Funds made available for Mexico by this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(h) SPENDING PLAN.—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 detailed spending plan for funds appropriated or otherwise made available for Mexico by this chapter, which shall include a strategy for combating drug trafficking and related violent crime, judicial reform, institution building, and rule of law activities, with concrete goals, actions to be taken, budget proposals, and anticipated results.

(i) CONSULTATION.—Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter until September 30, 2010, the Secretary of State shall consult with Mexican and internationally recognized human rights organizations on progress in meeting the requirements described in subsection (c).

CENTRAL AMERICA

SEC. 1405. (a) ASSISTANCE FOR THE COUNTRIES OF CENTRAL AMERICA.—Of the funds appropriated in subchapter A under the headings ''International Narcotics Control and Law Enforcement'', ''Foreign Military Financing Program'', ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', and ''Economic Support Fund'', $61,500,000 shall be made available for assistance for the countries of Central America, Haiti, and the Dominican Republic only to combat drug trafficking and related violent crime, and for judicial reform, institution building, rule of law activities, and maritime security: Provided, That of the funds appropriated under the heading ''Economic Support Fund'', $15,000,000 shall be made available

through the United States Agency for International Development for an Economic and Social Development Fund for the countries of Central America: Provided further, That of the funds appropriated under the heading ''International Narcotics Control and Law Enforcement'', $2,500,000 shall be made available for assistance for Haiti and $2,500,000 shall be made available for assistance for the Dominican Republic: Provided further, That none of the funds shall be made available for budget support or as cash payments: Provided further, That none of the funds shall be available for obligation until the Secretary of State determines and reports to the Committees on Appropriations that vetting procedures are in place to ensure that Federal and municipal police forces and the armed forces of the countries of Central America that may receive assistance pursuant to this section have not been involved in human rights violations or corrupt acts.

(b) ALLOCATION OF FUNDS.—(1) Up to 75 percent of the funds appropriated under the headings ''International Narcotics Control and Law Enforcement'' and ''Foreign Military Financing Program'' in subchapter A that are available for assistance for the countries of Central America may be obligated prior to the certification and report by the Secretary of State required in paragraph (2).

(2) The balance of the funds may be obligated not less than 120 days after the date of the enactment of this Act if, before such obligation, the Secretary of State determines and reports to the Committees on Appropriations that the requirements in subsection (c) have been met.

(c) REQUIREMENTS.—The requirements referred to in subsection (b)(2) are the following:

(1) The International Law Enforcement Academy (ILEA) in San Salvador, El Salvador is establishing a vetting procedure for police and other public security officials attending programs at the ILEA.

(2) The countries of Central America are—

(A) vetting members and units of Federal and municipal police forces and the armed forces that may receive assistance to ensure such members and units have not been involved in human rights violations or corrupt acts;

(B) strengthening law enforcement capabilities, developing effective systems information exchange, improving demand reduction, and expanding public education, prevention, and treatment programs;

(C) improving controls on chemical precursors;

(D) adopting and implementing reforms that improve the capacity and protect the independence of the judiciary;

(E) reforming criminal procedures to ensure due process and training Federal and municipal police leadership in modern policing to curb police abuses;

(F) targeting organizational structures and financial and other assets of drug cartels;

(G) taking steps to curb corruption in law enforcement agencies; and

(H) suspending, prosecuting, and punishing members of the police forces who have been credibly alleged to have committed violations of human rights and corrupt acts, and establishing policies for members of such forces that reward respect for human rights, in particular regarding the use of force.

(d) REPORT.—The report required in subsection (b)(2) shall include actions taken with respect to each requirement and the cases or issues brought to the attention of the Secretary for which the response or action taken has been inadequate.

(e) VETTING.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations, in classified form if necessary, detailing the procedures used by the Government of the United States to vet the Federal and municipal police and the armed forces of the countries of Central America for eligibility to receive assistance under this section.

(f) NOTIFICATION.—Funds made available for the countries of Central America in subchapter A shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(g) SPENDING PLAN.—Not later than 45 days after enactment of this Act the Secretary of State shall submit to the Committees on Appropriations a detailed spending plan for funds appropriated or otherwise made available for the countries of Central America, Haiti and the Dominican Republic in subchapter A, which shall include a strategy for combating drug trafficking and related violent crime, judicial reform, institution building, and rule of law activities, with concrete goals, actions to be taken, budget proposals and anticipated results.

(h) CONSULTATION.—Not later than 90 days after the date of enactment of this Act and every 120 days thereafter until September 30, 2010, the Secretary of State shall consult with internationally recognized human rights organizations, and human rights organizations in the countries of Central America receiving assistance pursuant to this section, on progress in meeting the requirements described in subsection (c).

(i) DEFINITION.—For the purposes of this section, the term ''countries of Central America'' means Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

BUYING POWER MAINTENANCE ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

SEC. 1406. (a) Of the funds appropriated under the heading ''Diplomatic and Consular Programs'' and allocated by section 3810 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28), $26,000,000 shall be transferred to and merged with funds in the ''Buying Power Maintenance Account'': Provided, That of the funds made available by this chapter up to an additional $74,000,000 may be transferred to and merged with the ''Buying Power Maintenance Account'', subject to the regular notification procedures of the Committees on Appropriations and in accordance with the procedures in section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706). Any funds transferred pursuant to this section shall be available, without fiscal year limitation, pursuant to section 24 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696).

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

''(D) The authorities contained in this paragraph may be exercised only with respect to funds appropriated or otherwise made available after fiscal year 2008.''.

RESCISSIONS

SEC. 1407. (a) WORLD FOOD PROGRAM.—(1) For an additional amount for a contribution to the World Food Program to assist farmers in countries affected by food shortages to increase crop yields, notwithstanding any other provision of law, $20,000,000, to remain available until expended.

(2) Of the funds appropriated under the heading ''Andean Counterdrug Initiative'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $20,000,000 are rescinded.

(b) SUDAN.—(1) For an additional amount for ''International Narcotics Control and Law Enforcement'', $10,000,000, for assistance for Sudan to support formed police units, to remain available until September 30, 2009, and subject to prior consultation with the Committees on Appropriations.

(2) Of the funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $10,000,000 are rescinded.

(c) Section 8002 of this Act shall not apply to this section.

ALLOCATIONS

SEC. 1408. (a) Funds provided in this chapter for the following accounts shall be made available for programs and countries in the amounts contained in the respective tables included in the explanatory statement printed in the Congressional Record accompanying this Act:

''Diplomatic and Consular Programs''

''Economic Support Fund''.

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

REPROGRAMMING AUTHORITY

SEC. 1409. Notwithstanding any other provision of law, to include minimum funding requirements or funding directives, funds made available under the headings ''Development Assistance'' and ''Economic Support Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs may be made available to address critical food shortages, subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

SPENDING PLAN AND NOTIFICATION PROCEDURES

SEC. 1410. (a) SUBCHAPTER A SPENDING PLAN.—Not later than 45 days after the 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 subchapter A, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(b) SUBCHAPTER B SPENDING PLAN.—The Secretary of State shall submit to the Committees on Appropriations not later than November 1, 2008, and prior to the initial obligation of funds, a detailed spending plan for funds appropriated or otherwise made available in subchapter B, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(c) NOTIFICATION.—Funds made available in this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

TERMS AND CONDITIONS

SEC. 1411. Unless otherwise provided for in this Act, funds appropriated or otherwise made available by this chapter shall be available under the authorities and conditions provided in the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161), except that section 699K of such Act shall not apply to funds in this chapter.

TITLE II—DOMESTIC MATTERS

CHAPTER 1—COMMERCE, JUSTICE, AND SCIENCE

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Periodic Censuses and Programs'', $210,000,000, to remain available until expended, for necessary expenses related to the 2010 Decennial Census: Provided, That not less than $3,000,000 shall be transferred to the ''Office of Inspector General'' at the Department of Commerce for necessary expenses associated with oversight activities of the 2010 Decennial Census: Provided further, That not less than $1,000,000 shall be used only for a

reimbursable agreement with the Defense Contract Management Agency to provide continuing contract management oversight of the 2010 Decennial Census.

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $178,000,000, to remain available until September 30, 2008.

CHAPTER 2—ENERGY AND WATER DEVELOPMENT

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, $2,835,000,000, to remain available until expended: Provided, That such sums shall not be available until October 1, 2008: Provided further, That the Secretary of the Army is directed to use $1,997,000,000 of the funds provided herein to modify authorized projects in southeast Louisiana to provide hurricane, storm and flood damage reduction in the greater New Orleans and surrounding areas to the levels of protection necessary to achieve the certification required for participation in the National Flood Insurance Program under the base flood elevations current at the time of enactment of this Act, and shall use $1,077,000,000 of those funds for the Lake Pontchartrain and Vicinity project and $920,000,000 of those funds for the West Bank and Vicinity project: Provided further, That, in addition, $838,000,000 of the funds provided herein shall be for elements of Southeast Louisiana Urban Drainage project within the geographic perimeter of the West Bank and Vicinity and Lake Pontchartrain and Vicinity projects, to provide for interior drainage of runoff from rainfall with a ten percent annual exceedance probability: Provided further, That the amounts provided herein shall be subject to a 65 percent Federal / 35 percent non-Federal cost share for the specified purposes: Provided further, That beginning not later than 60 days after the date of enactment of this Act, the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide monthly reports to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds.

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 Hurricane Katrina and other hurricanes of the 2005 season, $2,926,000,000, to remain available until expended: Provided, That such sums shall not be available until October 1, 2008: Provided further, That funds provided herein shall be used to reduce the risk of hurricane and storm damages to the greater New Orleans metropolitan area, at full Federal expense, for the following: $704,000,000 shall be used to modify the 17th Street, Orleans Avenue, and London Avenue drainage canals and install pumps and closure structures at or near the lakefront; $90,000,000 shall be used for stormproofing interior pump stations to ensure the operability of the stations during hurricanes, storms, and high water events; $459,000,000 shall be used for armoring critical elements of the New Orleans hurricane and storm damage reduction system; $53,000,000 shall be used to improve protection at the Inner Harbor Navigation Canal; $456,000,000 shall be used to replace or modify certain non-Federal levees in Plaquemines Parish to incorporate the levees into the existing New Orleans to Venice hurricane protection project; $412,000,000 shall be used for reinforcing or replacing flood walls, as necessary, in the existing Lake Pontchartrain and Vicinity project and the existing West Bank and Vicinity project to improve the performance of the systems; $393,000,000 shall be used for repair and restoration of authorized protections and floodwalls; and $359,000,000 shall be used to complete the authorized protection for the Lake Pontchartrain and Vicinity Project and for the West Bank and Vicinity Project: Provided further, That beginning not later than 60 days after the date of enactment of this Act, the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide monthly reports to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds: 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 Assistant Secretary of the Army for Civil Works requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of completed elements and to hold and save the United States free from damages due to the construction, 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 expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that is necessary to accomplish the established goals is authorized, subject to the approval of the House and Senate Committees on Appropriations.

CHAPTER 3—LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For an additional amount for ''State Unemployment Insurance and Employment Service Operations'' for grants to the States for the administration of State unemployment insurance, $110,000,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund, to be used for unemployment insurance workloads experienced by the States through September 30, 2008, which shall be available for Federal obligation through December 31, 2008.

CHAPTER 4—LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Annette Lantos, widow of Tom Lantos, late a Representative from the State of California, $169,300: Provided, That section 8002 shall not apply to this appropriation.

TITLE III—VETERANS EDUCATIONAL ASSISTANCE

SHORT TITLE

SEC. 3001. This title may be cited as the ''Post-9/11 Veterans Educational Assistance Act of 2008''.

FINDINGS

SEC. 3002. Congress makes the following findings:

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

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

(3) The United States has a proud history of offering educational assistance to millions of veterans, as demonstrated by the many ''G.I. Bills'' enacted since World War II. Educational assistance for veterans helps reduce the costs of war, assist veterans in readjusting to civilian life after wartime service, and boost the United States economy, and has a positive effect on recruitment for the Armed Forces.

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

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

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

EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE ARMED FORCES WHO SERVE AFTER SEPTEMBER 11, 2001

SEC. 3003. (a) EDUCATIONAL ASSISTANCE AUTHORIZED.—

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

''CHAPTER 33—POST–9/11 EDUCATIONAL ASSISTANCE

''SUBCHAPTER I—DEFINITIONS

''Sec.
''3301. Definitions.
''SUBCHAPTER II—EDUCATIONAL ASSISTANCE
''3311. Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement.
''3312. Educational assistance: duration.
''3313. Educational assistance: amount; payment.
''3314. Tutorial assistance.
''3315. Licensure and certification tests.
''3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service.
''3317. Public-private contributions for additional educational assistance.
''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS
''3321. Time limitation for use of and eligibility for entitlement.
''3322. Bar to duplication of educational assistance benefits.
''3323. Administration.
''3324. Allocation of administration and costs.

''SUBCHAPTER I—DEFINITIONS

''§ 3301. Definitions

''In this chapter:

''(1) The term 'active duty' has the meanings as follows (subject to the limitations specified in sections 3002(6) and 3311(b) of this title):

''(A) In the case of members of the regular components of the Armed Forces, the meaning given such term in section 101(21)(A) of this title.

''(B) In the case of members of the reserve components of the Armed Forces, service on active duty under a call or order to active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10.

''(2) The term 'entry level and skill training' means the following:

''(A) In the case of members of the Army, Basic Combat Training and Advanced Individual Training.

''(B) In the case of members of the Navy, Recruit Training (or Boot Camp) and Skill Training (or so-called 'A' School).

''(C) In the case of members of the Air Force, Basic Military Training and Technical Training.

''(D) In the case of members of the Marine Corps, Recruit Training and Marine Corps Training (or School of Infantry Training).

''(E) In the case of members of the Coast Guard, Basic Training.

''(3) The term 'program of education' has the meaning the meaning given such term in section

3002 of this title, except to the extent otherwise provided in section 3313 of this title.

''(4) The term 'Secretary of Defense' has the meaning given such term in section 3002 of this title.

''SUBCHAPTER II—EDUCATIONAL ASSISTANCE

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

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

''(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual as follows:

''(1) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty; or

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

''(2) An individual who—

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

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

''(3) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

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

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

''(4) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 24 months, but less than 30 months, on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

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

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

''(5) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

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

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

''(6) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

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

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

''(7) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

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

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

''(8) An individual who—

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

''(B) after completion of service described in subparagraph (A)—

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

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

''(c) COVERED DISCHARGES AND RELEASES.—A discharge or release from active duty of an individual described in this subsection is a discharge or release as follows:

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

''(2) A release after service on active duty in the Armed Forces characterized by the Secretary concerned as honorable service and placement on the retired list, transfer to the Fleet Reserve or Fleet Marine Corps Reserve, or placement on the temporary disability retired list.

''(3) A release from active duty in the Armed Forces for further service in a reserve component of the Armed Forces after service on active duty characterized by the Secretary concerned as honorable service.

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

''(A) a medical condition which preexisted the service of the individual as described in the applicable paragraph of subsection (b) and which the Secretary determines is not service-connected;

''(B) hardship; or

''(C) a physical or mental condition that was not characterized as a disability and did not result from the individual's own willful misconduct but did interfere with the individual's performance of duty, as determined by the Secretary concerned in accordance with regulations prescribed by the Secretary of Defense.

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

''(1) A period of service on active duty of an officer pursuant to an agreement under section 2107(b) of title 10.

''(2) A period of service on active duty of an officer pursuant to an agreement under section 4348, 6959, or 9348 of title 10.

''(3) A period of service that is terminated because of a defective enlistment and induction based on—

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

''(B) an erroneous enlistment or induction; or

''(C) a defective enlistment agreement.

''(e) TREATMENT OF INDIVIDUALS ENTITLED UNDER MULTIPLE PROVISIONS.—In the event an individual entitled to educational assistance under this chapter is entitled by reason of both paragraphs (4) and (5) of subsection (b), the individual shall be treated as being entitled to educational assistance under this chapter by reason of paragraph (5) of such subsection.

"§ 3312. Educational assistance: duration

''(a) IN GENERAL.—Subject to section 3695 of this title and except as provided in subsections (b) and (c), an individual entitled to educational assistance under this chapter is entitled to a number of months of educational assistance under section 3313 of this title equal to 36 months.

''(b) CONTINUING RECEIPT.—The receipt of educational assistance under section 3313 of this title by an individual entitled to educational assistance under this chapter is subject to the provisions of section 3321(b)(2) of this title.

''(c) DISCONTINUATION OF EDUCATION FOR ACTIVE DUTY.—(1) Any payment of educational assistance described in paragraph (2) shall not—

''(A) be charged against any entitlement to educational assistance of the individual concerned under this chapter; or

''(B) be counted against the aggregate period for which section 3695 of this title limits the individual's receipt of educational assistance under this chapter.

''(2) Subject to paragraph (3), the payment of educational assistance described in this paragraph is the payment of such assistance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

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

''(ii) in the case of an individual serving on active duty, had to discontinue such course pursuit as a result of being ordered to a new duty location or assignment or to perform an increased amount of work; and

''(B) failed to receive credit or lost training time toward completion of the individual's approved education, professional, or vocational objective as a result of having to discontinue, as described in subparagraph (A), the individual's course pursuit.

''(3) The period for which, by reason of this subsection, educational assistance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the portion of the period of enrollment in the course or courses from which the individual failed to receive credit or with respect to which the individual lost training time, as determined under paragraph (2)(B).

"§ 3313. Educational assistance: amount; payment

''(a) PAYMENT.—The Secretary shall pay to each individual entitled to educational assistance under this chapter who is pursuing an approved program of education (other than a program covered by subsections (e) and (f)) the amounts specified in subsection (c) to meet the expenses of such individual's subsistence, tuition, fees, and other educational costs for pursuit of such program of education.

''(b) APPROVED PROGRAMS OF EDUCATION.—A program of education is an approved program of education for purposes of this chapter if the program of education is offered by an institution of higher learning (as that term is defined in section 3452(f) of this title) and is approved for purposes of chapter 30 of this title (including approval by the State approving agency concerned).

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

''(1) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(1) or 3311(b)(2) of this title, amounts as follows:

''(A) An amount equal to the established charges for the program of education, except that the amount payable under this subparagraph may not exceed the maximum amount of established charges regularly charged in-State students for full-time pursuit of approved programs of education for undergraduates by the public institution of higher education offering approved programs of education for undergraduates in the State in which the individual is enrolled that has the highest rate of regularly-charged established charges for such programs of education among all public institutions of higher education in such State offering such programs of education.

''(B) A monthly stipend in an amount as follows:

''(i) For each month the individual pursues the program of education, other than a program of education offered through distance learning, a monthly housing stipend amount equal to the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher education at which the individual is enrolled.

''(ii) For the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

''(I) $1,000, multiplied by

''(II) the fraction which is the portion of a complete academic year under the program of education that such quarter, semester, or term constitutes.

''(2) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(3) of this title, amounts equal to 90 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(3) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(4) of this title, amounts equal to 80 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(4) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(5) of this title, amounts equal to 70 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(5) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(6) of this title, amounts equal to 60 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(6) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(7) of this title, amounts equal to 50 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(7) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(8) of this title, amounts equal to 40 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(d) FREQUENCY OF PAYMENT.—(1) Payment of the amounts payable under subsection (c)(1)(A), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(2) Payment of the amount payable under subsection (c)(1)(B), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made on a monthly basis.

''(3) The Secretary shall prescribe in regulations methods for determining the number of months (including fractions thereof) of entitlement of an individual to educational assistance this chapter that are chargeable under this chapter for an advance payment of amounts under paragraphs (1) and (2) for pursuit of a program of education on a quarter, semester, term, or other basis.

''(e) PROGRAMS OF EDUCATION PURSUED ON ACTIVE DUTY.—(1) Educational assistance is payable under this chapter for pursuit of an approved program of education while on active duty.

''(2) The amount of educational assistance payable under this chapter to an individual pursuing a program of education while on active duty is the lesser of—

''(A) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(B) the amount of the charges of the educational institution as elected by the individual in the manner specified in section 3014(b)(1) of this title.

''(3) Payment of the amount payable under paragraph (2) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at the rate of one month for each such month.

''(f) PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.—(1) Educational assistance is payable under this chapter for pursuit of an approved program of education on half-time basis or less.

''(2) The educational assistance payable under this chapter to an individual pursuing a program of education on half-time basis or less is the amounts as follows:

''(A) The amount equal to the lesser of—

''(i) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(ii) the maximum amount that would be payable to the individual for the program of education under paragraph (1)(A) of subsection (c), or under the provisions of paragraphs (2) through (7) of subsection (c) applicable to the individual, for the program of education if the individual were entitled to amounts for the program of education under subsection (c) rather than this subsection.

''(B) A stipend in an amount equal to the amount of the appropriately reduced amount of the lump sum amount for books, supplies, equipment, and other educational costs otherwise payable to the individual under subsection (c).

''(3) Payment of the amounts payable to an individual under paragraph (2) for pursuit of a program of education on half-time basis or less shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at a percentage of a month equal to—

''(A) the number of course hours borne by the individual in pursuit of the program of education involved, divided by

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

''(g) PAYMENT OF ESTABLISHED CHARGES TO EDUCATIONAL INSTITUTIONS.—Amounts payable under subsections (c)(1)(A) (and of similar amounts payable under paragraphs (2) through (7) of subsection (c)), (e)(2) and (f)(2)(A) shall be paid directly to the educational institution concerned.

''(h) ESTABLISHED CHARGES DEFINED.—(1) In this section, the term 'established charges', in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay.

''(2) Established charges shall be determined for purposes of this subsection on the following basis:

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

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

''§ 3314. Tutorial assistance

''(a) IN GENERAL.—Subject to subsection (b), an individual entitled to educational assistance under this chapter shall also be entitled to benefits provided an eligible veteran under section 3492 of this title.

''(b) CONDITIONS.—(1) The provision of benefits under subsection (a) shall be subject to the conditions applicable to an eligible veteran under section 3492 of this title.

''(2) In addition to the conditions specified in paragraph (1), benefits may not be provided to an individual under subsection (a) unless the professor or other individual teaching, leading, or giving the course for which such benefits are provided certifies that—

''(A) such benefits are essential to correct a deficiency of the individual in such course; and

''(B) such course is required as a part of, or is prerequisite or indispensable to the satisfactory pursuit of, an approved program of education.

''(c) AMOUNT.—(1) The amount of benefits described in subsection (a) that are payable under this section may not exceed $100 per month, for a maximum of 12 months, or until a maximum of $1,200 is utilized.

''(2) The amount provided an individual under this subsection is in addition to the amounts of educational assistance paid the individual under section 3313 of this title.

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

''§ 3315. Licensure and certification tests

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to payment for one licensing or certification test described in section 3452(b) of this title.

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

''(1) $2,000; or

''(2) the fee charged for the test.

''(c) NO CHARGE AGAINST ENTITLEMENT.—Any amount paid an individual under subsection (a) is in addition to any other educational assistance benefits provided the individual under this chapter.

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

''(a) INCREASED ASSISTANCE FOR MEMBERS WITH CRITICAL SKILLS OR SPECIALTY.—(1) In the case of an individual who has a skill or specialty designated by the Secretary concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, the Secretary concerned may increase the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c) of this title, or under paragraphs (2) through (7) of such section (as applicable).

''(2) The amount of the increase in educational assistance authorized by paragraph (1) may not exceed the amount equal to the monthly amount of increased basic educational assistance providable under section 3015(d)(1) of this title at the time of the increase under paragraph (1).

''(b) SUPPLEMENTAL ASSISTANCE FOR ADDITIONAL SERVICE.—(1) The Secretary concerned may provide for the payment to an individual entitled to educational assistance under this chapter of supplemental educational assistance for additional service authorized by subchapter III of chapter 30 of this title. The amount so payable shall be payable as an increase in the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c) of this title, or under paragraphs (2) through (7) of such section (as applicable).

''(2) Eligibility for supplement educational assistance under this subsection shall be determined in accordance with the provisions of subchapter III of chapter 30 of this title, except that any reference in such provisions to eligibility for basic educational assistance under a provision of subchapter II of chapter 30 of this title shall be treated as a reference to eligibility for educational assistance under the appropriate provision of this chapter.

''(3) The amount of supplemental educational assistance payable under this subsection shall be the amount equal to the monthly amount of supplemental educational payable under section 3022 of this title.

''(c) REGULATIONS.—The Secretaries concerned shall administer this section in accordance with such regulations as the Secretary of Defense shall prescribe.

''§ 3317. Public-private contributions for additional educational assistance

''(a) ESTABLISHMENT OF PROGRAM.—In instances where the educational assistance provided pursuant to section 3313(c)(1)(A) does not cover the full cost of established charges (as specified in section 3313 of this title), the Secretary shall carry out a program under which colleges and universities can, voluntarily, enter into an agreement with the Secretary to cover a portion of those established charges not otherwise covered under section 3313(c)(1)(A), which contributions shall be matched by equivalent contributions toward such costs by the Secretary. The program shall only apply to covered individuals described in paragraphs (1) and (2) of section 3311(b).

''(b) DESIGNATION OF PROGRAM.—The program under this section shall be known as the 'Yellow Ribbon G.I. Education Enhancement Program'.

''(c) AGREEMENTS.—The Secretary shall enter into an agreement with each college or university seeking to participate in the program under this section. Each agreement shall specify the following:

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

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

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

''(4) Such other matters as the Secretary and the college or university concerned jointly consider appropriate.

''(d) MATCHING CONTRIBUTIONS.—(1) In instances where the educational assistance provided an individual under section 3313(c)(1)(A) of this title does not cover the full cost of tuition and mandatory fees at a college or university, the Secretary shall provide up to 50 percent of the remaining costs for tuition and mandatory fees if the college or university voluntarily enters into an agreement with the Secretary to match an equal percentage of any of the remaining costs for such tuition and fees.

''(2) Amounts available to the Secretary under section 3324(b) of this title for payment of the costs of this chapter shall be available to the Secretary for purposes of paragraph (1).

''(e) OUTREACH.—The Secretary shall make available on the Internet website of the Department available to the public a current list of the colleges and universities participating in the program under this section. The list shall specify, for each college or university so listed, appropriate information on the agreement between the Secretary and such college or university under subsection (c).

''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

''§ 3321. Time limitation for use of and eligibility for entitlement

''(a) IN GENERAL.—Except as provided in this section, the period during which an individual entitled to educational assistance under this chapter may use such individual's entitlement expires at the end of the 15-year period beginning on the date of such individual's last discharge or release from active duty.

''(b) EXCEPTIONS.—(1) Subsections (b), (c), and (d) of section 3031 of this title shall apply with respect to the running of the 15-year period described in subsection (a) of this section in the same manner as such subsections apply under section 3031 of this title with respect to the running of the 10-year period described in section 3031(a) of this title.

''(2) Section 3031(f) of this title shall apply with respect to the termination of an individual's entitlement to educational assistance under this chapter in the same manner as such section applies to the termination of an individual's entitlement to educational assistance under chapter 30 of this title, except that, in the administration of such section for purposes of this chapter, the reference to section 3013 of this title shall be deemed to be a reference to 3312 of this title.

''(3) For purposes of subsection (a), an individual's last discharge or release from active duty shall not include any discharge or release from a period of active duty of less than 90 days of continuous service, unless the individual is discharged or released as described in section 3311(b)(2) of this title.

''§ 3322. Bar to duplication of educational assistance benefits

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter who is also eligible for educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980 (Public Law 96–449; 5 U.S.C. 5561 note) may not receive assistance under two or more such programs concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which chapter or provisions to receive educational assistance.

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

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

''(d) ADDITIONAL COORDINATION MATTERS.—In the case of an individual entitled to educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980, or making contributions toward entitlement to educational assistance under chapter 30 of this title, as of August 1, 2009, coordination of entitlement to educational assistance under this chapter, on the one hand, and such chapters or provisions, on the other, shall be governed by the provisions of section 3003(c) of the Post-9/11 Veterans Educational Assistance Act of 2008.

''§ 3323. Administration

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

''(2) In applying the provisions referred to in paragraph (1) to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such provisions to the term 'eligible veteran' shall be deemed to refer to an individual entitled to educational assistance under this chapter.

''(3) In applying section 3474 of this title to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such section 3474 to the term 'educational assistance allowance' shall be deemed to refer to educational assistance payable under section 3313 of this title.

''(4) In applying section 3482(g) of this title to an individual entitled to educational assistance under this chapter for purposes of this section—

''(A) the first reference to the term 'educational assistance allowance' in such section 3482(g) shall be deemed to refer to educational assistance payable under section 3313 of this title; and

''(B) the first sentence of paragraph (1) of such section 3482(g) shall be applied as if such sentence ended with 'equipment'.

''(b) INFORMATION ON BENEFITS.—(1) The Secretary of Veterans Affairs shall provide the information described in paragraph (2) to each member of the Armed Forces at such times as the Secretary of Veterans Affairs and the Secretary of Defense shall jointly prescribe in regulations.

''(2) The information described in this paragraph is information on benefits, limitations, procedures, eligibility requirements (including time-in-service requirements), and other important aspects of educational assistance under this chapter, including application forms for such assistance under section 5102 of this title.

''(3) The Secretary of Veterans Affairs shall furnish the information and forms described in paragraph (2), and other educational materials on educational assistance under this chapter, to educational institutions, training establishments, military education personnel, and such other persons and entities as the Secretary considers appropriate.

''(c) REGULATIONS.—(1) The Secretary shall prescribe regulations for the administration of this chapter.

''(2) Any regulations prescribed by the Secretary of Defense for purposes of this chapter shall apply uniformly across the Armed Forces.

"§ 3324. Allocation of administration and costs

''(a) ADMINISTRATION.—Except as otherwise provided in this chapter, the Secretary shall administer the provision of educational assistance under this chapter.

''(b) COSTS.—Payments for entitlement to educational assistance earned under this chapter shall be made from funds appropriated to, or otherwise made available to, the Department of Veterans Affairs for the payment of readjustment benefits.''.

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

''33. Post-9/11 Educational Assistance 3301''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS RELATING TO DUPLICATION OF BENEFITS.—

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

(i) in subsection (a)(1), by inserting ''33,'' after ''32,''; and

(ii) in subsection (c), by striking ''both the program established by this chapter and the program established by chapter 106 of title 10'' and inserting ''two or more of the programs established by this chapter, chapter 33 of this title, and chapters 1606 and 1607 of title 10''.

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

''(4) Chapters 30, 32, 33, 34, 35, and 36 of this title.''.

(C) Section 16163(e) of title 10, United States Code, is amended by inserting ''33,'' after ''32,''.

(2) ADDITIONAL CONFORMING AMENDMENTS.—

(A) Title 38, United States Code, is further amended by inserting ''33,'' after ''32,'' each place it appears in the following provisions:

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

(ii) In section 3688(b).

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

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

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

(vi) In section 3697(a).

(B) Section 3697A(b)(1) of such title is amended by striking ''or 32'' and inserting ''32, or 33''.

(c) APPLICABILITY TO INDIVIDUALS UNDER MONTGOMERY GI BILL PROGRAM.—

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

(A) as of August 1, 2009—

(i) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, and has used, but retains unused, entitlement under that chapter;

(ii) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, and has used, but retains unused, entitlement under the applicable chapter;

(iii) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, but has not used any entitlement under that chapter;

(iv) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, but has not used any entitlement under such chapter;

(v) is a member of the Armed Forces who is eligible for receipt of basic educational assistance under chapter 30 of title 38, United States Code, and is making contributions toward such assistance under section 3011(b) or 3012(c) of such title; or

(vi) is a member of the Armed Forces who is not entitled to basic educational assistance under chapter 30 of title 38, United States Code, by reason of an election under section 3011(c)(1) or 3012(d)(1) of such title; and

(B) as of the date of the individual's election under this paragraph, meets the requirements for entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added).

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

(3) REVOCATION OF REMAINING TRANSFERRED ENTITLEMENT.—

(A) ELECTION TO REVOKE.—If, on the date an individual described in subparagraph (A)(i) or (A)(iii) of paragraph (1) makes an election under that paragraph, a transfer of the entitlement of the individual to basic educational assistance under section 3020 of title 38, United States Code, is in effect and a number of months of the entitlement so transferred remain unutilized, the individual may elect to revoke all or a portion of the entitlement so transferred that remains unutilized.

(B) AVAILABILITY OF REVOKED ENTITLEMENT.—Any entitlement revoked by an individual under this paragraph shall no longer be available to the dependent to whom transferred, but shall be available to the individual instead for educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of this subsection.

(C) AVAILABILITY OF UNREVOKED ENTITLEMENT.—Any entitlement described in subparagraph (A) that is not revoked by an individual in accordance with that subparagraph shall remain available to the dependent or dependents concerned in accordance with the current transfer of such entitlement under section 3020 of title 38, United States Code.

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

(A) IN GENERAL.—Subject to subparagraph (B) and except as provided in paragraph (5), an individual making an election under paragraph (1) shall be entitled to educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of such chapter, instead of basic educational assistance under chapter 30 of title 38, United States Code, or educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, as applicable.

(B) LIMITATION ON ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual making an election under paragraph (1) who is described by subparagraph (A)(i) of that paragraph, the number of months of entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), shall be the number of months equal to—

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

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

(5) CONTINUING ENTITLEMENT TO EDUCATIONAL ASSISTANCE NOT AVAILABLE UNDER 9/11 ASSISTANCE PROGRAM.—

(A) IN GENERAL.—In the event educational assistance to which an individual making an election under paragraph (1) would be entitled under chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable, is not authorized to be available to the individual under the provisions of chapter 33 of title 38, United States Code (as so added), the individual shall remain entitled to such educational assistance in accordance with the provisions of the applicable chapter.

(B) CHARGE FOR USE OF ENTITLEMENT.—The utilization by an individual of entitlement under subparagraph (A) shall be chargeable against the entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), at the rate of one month of entitlement under such chapter 33 for each month of entitlement utilized by the individual under subparagraph (A) (as determined as if such entitlement were utilized under the provisions of chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable).

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

(A) ADDITIONAL ASSISTANCE.—In the case of an individual making an election under paragraph (1) who is described by clause (i), (iii), or (v) of subparagraph (A) of that paragraph, the amount of educational assistance payable to the individual under chapter 33 of title 38, United States Code (as so added), as a monthly stipend payable under paragraph (1)(B) of section 3313(c) of such title (as so added), or under paragraphs (2) through (7) of that section (as applicable), shall be the amount otherwise payable as a monthly stipend under the applicable paragraph increased by the amount equal to—

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

(ii) the fraction—

(I) the numerator of which is—

(aa) the number of months of entitlement to basic educational assistance under chapter 30 of title 38, United States Code, remaining to the individual at the time of the election; plus

(bb) the number of months, if any, of entitlement under such chapter 30 revoked by the individual under paragraph (3)(A); and

(II) the denominator of which is 36 months.

(B) MONTHS OF REMAINING ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual covered by subparagraph (A) who is described by paragraph (1)(A)(v), the number of months of entitlement to basic educational assistance remaining to the individual for purposes of subparagraph (A)(ii)(I)(aa) shall be 36 months.

(C) TIMING OF PAYMENT.—The amount payable with respect to an individual under subparagraph (A) shall be paid to the individual together with the last payment of the monthly stipend payable to the individual under paragraph (1)(B) of section 3313(c) of title 38, United States Code (as so added), or under paragraphs (2) through (7) of that section (as applicable), before the exhaustion of the individual's entitlement to educational assistance under chapter 33 of such title (as so added).

(7) CONTINUING ENTITLEMENT TO ADDITIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALITY AND ADDITIONAL SERVICE.—An individual making an election under paragraph (1)(A) who, at the time of the election, is entitled to increased educational assistance under section 3015(d) of title 38, United States Code, or section 16131(i) of title 10, United States Code, or supplemental educational assistance under subchapter III of chapter 30 of title 38, United States Code, shall remain entitled to such increased educational assistance or supplemental educational assistance in the utilization of entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added), in an amount equal to the quarter, semester, or term, as applicable, equivalent of the monthly amount of such increased educational assistance or supplemental educational assistance payable with respect to the individual at the time of the election.

(8) IRREVOCABILITY OF ELECTIONS.—An election under paragraph (1) or (3)(A) is irrevocable.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on August 1, 2009.

INCREASE IN AMOUNTS OF BASIC EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL

SEC. 3004. (a) EDUCATIONAL ASSISTANCE BASED ON THREE-YEAR PERIOD OF OBLIGATED SERVICE.—Subsection (a)(1) of section 3015 of title 38, United States Code, is amended—

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

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,321; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

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

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

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,073; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

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

''(A) the average cost of undergraduate tuition in the United States, as determined by the National Center for Education Statistics, for the last academic year preceding the beginning of the fiscal year for which the increase is made, exceeds

''(B) the average cost of undergraduate tuition in the United States, as so determined, for the academic year preceding the academic year described in subparagraph (A).''.

(d) EFFECTIVE DATE.—

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

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

MODIFICATION OF AMOUNT AVAILABLE FOR REIMBURSEMENT OF STATE AND LOCAL AGENCIES ADMINISTERING VETERANS EDUCATION BENEFITS

SEC. 3005. Section 3674(a)(4) of title 38, United States Code, is amended by striking ''may not exceed'' and all that follows through the end and inserting ''shall be $19,000,000.''.

TITLE IV—EMERGENCY UNEMPLOYMENT COMPENSATION

FEDERAL-STATE AGREEMENTS

SEC. 4001. (a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

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

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before May 1, 2007);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (except as provided under subsection (e)); and

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

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

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

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

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

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an emergency unemployment compensation account is established under section 4002 shall not exceed the amount established in such account for such individual.

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

EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT

SEC. 4002. (a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

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

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted or at any time thereafter, such individual's State is in an extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period, as of any given time, if—

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970;

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act—

(i) were applied by substituting ''4'' for ''5'' each place it appears; and

(ii) did not include the requirement under paragraph (1)(A); or

(C) such a period would then be in effect for such State under such Act if—

(i) section 203(f) of such Act were applied to such State (regardless of whether the State by law had provided for such application); and

(ii) such section 203(f)—

(I) were applied by substituting `6.0' for `6.5' in paragraph (1)(A)(i); and

(II) did not include the requirement under paragraph (1)(A)(ii).

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

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

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

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

FINANCING PROVISIONS

SEC. 4004. (a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the Government Accountability Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

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

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year

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

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

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

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

FRAUD AND OVERPAYMENTS

SEC. 4005. (a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

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

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

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual; and

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

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

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

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

DEFINITIONS

SEC. 4006. In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

APPLICABILITY

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

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

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

(b) TRANSITION FOR AMOUNT REMAINING IN ACCOUNT.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), in the case of an individual who has amounts remaining in an account established under section 4002 as of the last day of the last week (as determined in accordance with the applicable State law) ending on or before March 31, 2009, emergency unemployment compensation shall continue to be payable to such individual from such amounts for any week beginning after such last day for which the individual meets the eligibility requirements of this title.

(2) LIMIT ON AUGMENTATION.—If the account of an individual is exhausted after the last day of such last week (as so determined), then section 4002(c) shall not apply and such account shall not be augmented under such section, regardless of whether such individual's State is in an extended benefit period (as determined under paragraph (2) of such section).

(3) LIMIT ON COMPENSATION.—No compensation shall be payable by reason of paragraph (1) for any week beginning after June 30, 2009.

TITLE V—MEDICAID PROVISIONS

SEC. 5001. (a) MORATORIA ON CERTAIN MEDICAID REGULATIONS.—

(1) EXTENSION OF CERTAIN MORATORIA IN PUBLIC LAW 110–28.—Section 7002(a)(1) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28) is amended—

(A) by striking ''prior to the date that is 1 year after the date of enactment of this Act'' and inserting ''prior to April 1, 2009'';

(B) in subparagraph (A), by inserting after ''Federal Regulations)'' the following: ''or in the final regulation, relating to such parts, published on May 29, 2007 (72 Federal Register 29748)''; and

(C) in subparagraph (C), by inserting before the period at the end the following: '', including the proposed regulation published on May 23, 2007 (72 Federal Register 28930)''.

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

(A) by striking ''June 30, 2008'' and inserting ''April 1, 2009'';

(B) by inserting '', including the proposed regulation published on August 13, 2007 (72 Federal Register 45201),'' after ''rehabilitation services''; and

(C) by inserting '', including the final regulation published on December 28, 2007 (72 Federal Register 73635),'' after ''school-based transportation''.

(3) ADDITIONAL MORATORIA.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to April 1, 2009, take any action (through promulgation of regulation, issuance of regulatory guidance, use of Federal payment audit procedures, or other administrative action, policy, or practice, including a Medical Assistance Manual transmittal or letter to State Medicaid directors) to impose any restrictions relating to a provision described in subparagraph (B), (C), or (D) if such restrictions are more restrictive in any aspect than those applied to the respective provision as of the date specified in subparagraph (E) for such provision.

(B) PORTION OF INTERIM FINAL REGULATION RELATING TO MEDICAID TREATMENT OF OPTIONAL CASE MANAGEMENT SERVICES.—

(i) IN GENERAL.—Subject to clause (ii), the provision described in this subparagraph is the interim final regulation relating to optional State plan case management services under the Medicaid program published on December 4, 2007 (72 Federal Register 68077) in its entirety.

(ii) EXCEPTION.—The provision described in this subparagraph does not include the portion of such regulation as relates directly to implementing section 1915(g)(2)(A)(ii) of the Social Security Act, as amended by section 6052 of the Deficit Reduction Act of 2005 (Public Law 109–171), through the definition of case management services and targeted case management services contained in proposed section 440.169 of title 42, Code of Federal Regulations, but only to the extent that such portion is not more restrictive than the policies set forth in the Dear State Medicaid Director letter on case management issued on January 19, 2001 (SMDL #01–013), and with respect to community transition case management, the Dear State Medicaid Director letter issued on July 25, 2000 (Olmstead Update 3).

(C) PROPOSED REGULATION RELATING TO REDEFINITION OF MEDICAID OUTPATIENT HOSPITAL SERVICES.—The provision described in this subparagraph is the proposed regulation relating to clarification of outpatient clinic and hospital facility services definition and upper payment limit under the Medicaid program published on September 28, 2007 (72 Federal Register 55158) in its entirety.

(D) PORTION OF PROPOSED REGULATION RELATING TO MEDICAID ALLOWABLE PROVIDER TAXES.—

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

(ii) EXCEPTION.—The provision described in this subparagraph does not include the portions of such regulation as relate to the following:

(I) REDUCTION IN THRESHOLD.—The reduction from 6 percent to 5.5 percent in the threshold applied under section 433.68(f)(3)(i) of title 42, Code of Federal Regulations, for determining whether or not there is an indirect guarantee to hold a taxpayer harmless, as required to carry out section 1903(w)(4)(C)(ii) of the Social Security Act, as added by section 403 of the Medicare Improvement and Extension Act of 2006 (division B of Public Law 109–432).

(II) CHANGE IN DEFINITION OF MANAGED CARE.—The change in the definition of managed care as proposed in the revision of section 433.56(a)(8) of title 42, Code of Federal Regulations, as required to carry out section 1903(w)(7)(A)(viii) of the Social Security Act, as amended by section 6051 of the Deficit Reduction Act of 2005 (Public Law 109–171).

(E) DATE SPECIFIED.—The date specified in this subparagraph for the provision described in—

(i) subparagraph (B) is December 3, 2007;

(ii) subparagraph (C) is September 27, 2007; or

(iii) subparagraph (D) is February 21, 2008.

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

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

(A) there is appropriated to the Secretary of Health and Human Services, out of any money in the Treasury not otherwise appropriated, $25,000,000, for fiscal year 2009; and

(B) there is authorized to be appropriated to the Secretary $25,000,000 for fiscal year 2010 and each subsequent fiscal year.

Amounts appropriated under this section shall remain available for expenditure until expended and shall be in addition to any other amounts appropriated or made available to the Secretary for such purposes with respect to the Medicaid program.

(2) ANNUAL REPORT.—Not later than September 30 of 2009 and of each subsequent year, the Secretary of Health and Human Services shall submit to the Committee on Energy and

Commerce of the House of Representatives and the Committee on Finance of the Senate a report on the activities (and the results of such activities) funded under paragraph (1) to reduce waste, fraud, and abuse in the Medicaid program under title XIX of the Social Security Act during the previous 12 month period, including the amount of funds appropriated under such paragraph for each such activity and an estimate of the savings to the Medicaid program resulting from each such activity.

(c) STUDY AND REPORTS TO CONGRESS.—

(1) SECRETARIAL REPORT IDENTIFYING PROBLEMS.—Not later than July 1, 2008, the Secretary of Health and Human Services shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report that—

(A) outlines the specific problems the Medicaid regulations referred to in the amendments made by paragraphs (1) and (2) of subsection (a) and in the provisions described in subparagraph (B) through (D) of paragraph (3) of such subsection were intended to address;

(B) detailing how these regulations were designed to address these specific problems; and

(C) cites the legal authority for such regulations.

(2) INDEPENDENT COMPREHENSIVE STUDY AND REPORT.—

(A) IN GENERAL.—Not later than July 1, 2008, the Secretary of Health and Human Services shall enter into a contract with an independent organization for the purpose of—

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

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

(iii) assessing the impact of each regulation referred to in such paragraph on each State and the District of Columbia.

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

(i) an identification of which claims for items and services (including administrative activities) under title XIX of the Social Security Act are not processed through systems described in section 1903(r) of such Act;

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

(iii) recommendations on actions by the Federal government and the States that can make claims for such items and services more accurate and complete consistent with such title.

(C) DEADLINE.—The report under subparagraph (A) shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate not later than March 1, 2009.

(D) COOPERATION OF STATES.—If the Secretary of Health and Human Services determines that a State or the District of Columbia has not cooperated with the independent organization for purposes of the report under this paragraph, the Secretary shall reduce the amount paid to the State or District under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a)) by $25,000 for each day on which the Secretary determines such State or District has not so cooperated. Such reduction shall be made through a process that permits the State or District to challenge the Secretary's determination.

(3) FUNDING.—

(A) IN GENERAL.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary without further appropriation, $5,000,000 to carry out this subsection.

(B) AVAILABILITY; AMOUNTS IN ADDITION TO OTHER AMOUNTS APPROPRIATED FOR SUCH ACTIVITIES.—Amounts appropriated pursuant to subparagraph (A) shall—

(i) remain available until expended; and

(ii) be in addition to any other amounts appropriated or made available to the Secretary of Health and Human Services with respect to the Medicaid program.

(d) ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS.—

(1) ADDITION OF AUTHORITY.—Title XIX of the Social Security Act is amended by inserting after section 1939 the following new section:

''ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS

''SEC. 1940. (a) IMPLEMENTATION.—

''(1) IN GENERAL.—Subject to the provisions of this section, each State shall implement an asset verification program described in subsection (b), for purposes of determining or redetermining the eligibility of an individual for medical assistance under the State plan under this title.

''(2) PLAN SUBMITTAL.—In order to meet the requirement of paragraph (1), each State shall—

''(A) submit not later than a deadline specified by the Secretary consistent with paragraph (3), a State plan amendment under this title that describes how the State intends to implement the asset verification program; and

''(B) provide for implementation of such program for eligibility determinations and redeterminations made on or after 6 months after the deadline established for submittal of such plan amendment.

''(3) PHASE-IN.—

''(A) IN GENERAL.—

''(i) IMPLEMENTATION IN CURRENT ASSET VERIFICATION DEMO STATES.—The Secretary shall require those States specified in subparagraph (C) (to which an asset verification program has been applied before the date of the enactment of this section) to implement an asset verification program under this subsection by the end of fiscal year 2009.

''(ii) IMPLEMENTATION IN OTHER STATES.—The Secretary shall require other States to submit and implement an asset verification program under this subsection in such manner as is designed to result in the application of such programs, in the aggregate for all such other States, to enrollment of approximately, but not less than, the following percentage of enrollees, in the aggregate for all such other States, by the end of the fiscal year involved:

''(I) 12.5 percent by the end of fiscal year 2009.

''(II) 25 percent by the end of fiscal year 2010.

''(III) 50 percent by the end of fiscal year 2011.

''(IV) 75 percent by the end of fiscal year 2012.

''(V) 100 percent by the end of fiscal year 2013.

''(B) CONSIDERATION.—In selecting States under subparagraph (A)(ii), the Secretary shall consult with the States involved and take into account the feasibility of implementing asset verification programs in each such State.

''(C) STATES SPECIFIED.—The States specified in this subparagraph are California, New York, and New Jersey.

''(D) CONSTRUCTION.—Nothing in subparagraph (A)(ii) shall be construed as preventing a State from requesting, and the Secretary approving, the implementation of an asset verification program in advance of the deadline otherwise established under such subparagraph.

''(4) EXEMPTION OF TERRITORIES.—This section shall only apply to the 50 States and the District of Columbia.

''(b) ASSET VERIFICATION PROGRAM.—

''(1) IN GENERAL.—For purposes of this section, an asset verification program means a program described in paragraph (2) under which a State—

''(A) requires each applicant for, or recipient of, medical assistance under the State plan under this title on the basis of being aged, blind, or disabled to provide authorization by such applicant or recipient (and any other person whose resources are material to the determination of the eligibility of the applicant or recipient for such assistance) for the State to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act but at no cost to the applicant or recipient) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (and such other person, as applicable), whenever the State determines the record is needed in connection with a determination with respect to such eligibility for (or the amount or extent of) such medical assistance; and

''(B) uses the authorization provided under subparagraph (A) to verify the financial resources of such applicant or recipient (and such other person, as applicable), in order to determine or redetermine the eligibility of such applicant or recipient for medical assistance under the State plan.

''(2) PROGRAM DESCRIBED.—A program described in this paragraph is a program for verifying individual assets in a manner consistent with the approach used by the Commissioner of Social Security under section 1631(e)(1)(B)(ii).

''(c) DURATION OF AUTHORIZATION.—Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act, an authorization provided to a State under subsection (b)(1) shall remain effective until the earliest of—

''(1) the rendering of a final adverse decision on the applicant's application for medical assistance under the State's plan under this title;

''(2) the cessation of the recipient's eligibility for such medical assistance; or

''(3) the express revocation by the applicant or recipient (or such other person described in subsection (b)(1), as applicable) of the authorization, in a written notification to the State.

''(d) TREATMENT OF RIGHT TO FINANCIAL PRIVACY ACT REQUIREMENTS.—

''(1) An authorization obtained by the State under subsection (b)(1) shall be considered to meet the requirements of the Right to Financial Privacy Act for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

''(2) The certification requirements of section 1103(b) of the Right to Financial Privacy Act shall not apply to requests by the State pursuant to an authorization provided under subsection (b)(1).

''(3) A request by the State pursuant to an authorization provided under subsection (b)(1) is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act and of section 1102 of such Act, relating to a reasonable description of financial records.

''(e) REQUIRED DISCLOSURE.—The State shall inform any person who provides authorization pursuant to subsection (b)(1)(A) of the duration and scope of the authorization.

''(f) REFUSAL OR REVOCATION OF AUTHORIZATION.—If an applicant for, or recipient of, medical assistance under the State plan under this title (or such other person described in subsection (b)(1), as applicable) refuses to provide, or revokes, any authorization made by the applicant or recipient (or such other person, as applicable) under subsection (b)(1)(A) for the State to obtain from any financial institution any financial record, the State may, on that basis, determine that the applicant or recipient is ineligible for medical assistance.

''(g) USE OF CONTRACTOR.—For purposes of implementing an asset verification program under this section, a State may select and enter into a contract with a public or private entity meeting such criteria and qualifications as the State determines appropriate, consistent with requirements in regulations relating to general contracting provisions and with section 1903(i)(2). In carrying out activities under such contract, such an entity shall be subject to the same requirements and limitations on use and disclosure of information as would apply if the State were to carry out such activities directly.

''(h) TECHNICAL ASSISTANCE.—The Secretary shall provide States with technical assistance to aid in implementation of an asset verification program under this section.

''(i) REPORTS.—A State implementing an asset verification program under this section shall furnish to the Secretary such reports concerning the program, at such times, in such format, and containing such information as the Secretary determines appropriate.

''(j) TREATMENT OF PROGRAM EXPENSES.—Notwithstanding any other provision of law, reasonable expenses of States in carrying out the program under this section shall be treated, for purposes of section 1903(a), in the same manner as State expenditures specified in paragraph (7) of such section.''.

(2) STATE PLAN REQUIREMENTS.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (69) by striking ''and'' at the end;

(B) in paragraph (70) by striking the period at the end and inserting ''; and''; and

(C) by inserting after paragraph (70), as so amended, the following new paragraph:

''(71) provide that the State will implement an asset verification program as required under section 1940.''.

(3) WITHHOLDING OF FEDERAL MATCHING PAYMENTS FOR NONCOMPLIANT STATES.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) in paragraph (22) by striking ''or'' at the end;

(B) in paragraph (23) by striking the period at the end and inserting ''; or''; and

(C) by adding after paragraph (23) the following new paragraph:

''(24) if a State is required to implement an asset verification program under section 1940 and fails to implement such program in accordance with such section, with respect to amounts expended by such State for medical assistance for individuals subject to asset verification under such section, unless—

''(A) the State demonstrates to the Secretary's satisfaction that the State made a good faith effort to comply;

''(B) not later than 60 days after the date of a finding that the State is in noncompliance, the State submits to the Secretary (and the Secretary approves) a corrective action plan to remedy such noncompliance; and

''(C) not later than 12 months after the date of such submission (and approval), the State fulfills the terms of such corrective action plan.''.

(4) REPEAL.—Section 4 of Public Law 110–90 is repealed.

(e) ADJUSTMENT TO PAQI FUND.—Section 1848(l)(2) of the Social Security Act (42 U.S.C. 1395w-4(l)(2)), as amended by section 101(a)(2) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173), is amended—

(1) in subparagraph (A)(i)—

(A) in subclause (III), by striking ''$4,960,000,000'' and inserting ''$3,940,000,000''; and

(B) by adding at the end the following new subclause:

''(IV) For expenditures during 2014, an amount equal to $3,750,000,000.'';

(2) in subparagraph (A)(ii), by adding at the end the following new subclause:

''(IV) 2014.—The amount available for expenditures during 2014 shall only be available for an adjustment to the update of the conversion factor under subsection (d) for that year.''; and

(3) in subparagraph (B)—

(A) in clause (ii), by striking ''and'' at the end;

(B) in clause (iii), by striking the period at the end and inserting ''; and''; and

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

''(iv) 2014 for payment with respect to physicians' services furnished during 2014.''.

TITLE VI—ACCOUNTABILITY AND TRANSPARENCY IN GOVERNMENT CONTRACTING

CHAPTER 1—CLOSE THE CONTRACTOR FRAUD LOOPHOLE

SHORT TITLE

SEC. 6101. This chapter may be cited as the ''Close the Contractor Fraud Loophole Act''.

REVISION OF THE FEDERAL ACQUISITION REGULATION

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

DEFINITION

SEC. 6103. In this chapter, the term ''covered contract'' means any contract in an amount greater than $5,000,000 and more than 120 days in duration.

CHAPTER 2—GOVERNMENT FUNDING TRANSPARENCY

SHORT TITLE

SEC. 6201. This chapter may be cited as the ''Government Funding Transparency Act of 2008''.

FINANCIAL DISCLOSURE REQUIREMENTS FOR CERTAIN RECIPIENTS OF FEDERAL AWARDS

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

(1) by striking ''and'' at the end of subparagraph (E);

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) the names and total compensation of the five most highly compensated officers of the entity if—

''(i) the entity in the preceding fiscal year received—

''(I) 80 percent or more of its annual gross revenues in Federal awards; and

''(II) $25,000,000 or more in annual gross revenues from Federal awards; and

''(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.''.

(b) REGULATIONS REQUIRED.—The Director of the Office of Management and Budget shall promulgate regulations to implement the amendment made by this chapter. Such regulations shall include a definition of ''total compensation'' that is consistent with regulations of the Securities and Exchange Commission at section 402 of part 229 of title 17 of the Code of Federal Regulations (or any subsequent regulation).

TITLE VII—GI BILL FINANCING PROVISION

GI BILL FINANCING PROVISION

SEC. 7001. (a) IN GENERAL.—Part I of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 1 the following new section:

''SEC. 1A. INCREASE IN TAX ON HIGH INCOME INDIVIDUALS TO FINANCE THE GI BILL.

''(a) GENERAL RULE.—In the case of a taxpayer other than a corporation, there is hereby imposed (in addition to any other tax imposed by this subtitle) a tax equal to 0.47 percent of so much of modified adjusted gross income as exceeds $500,000 ($1,000,000 in the case of a joint return or a surviving spouse (as defined in section 2(a)).

''(b) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this section, the term 'modified adjusted gross income' means adjusted gross income reduced by any deduction allowed for investment interest (as defined in section 163(d)). In the case of an estate or trust, a rule similar to the rule of section 67(e) shall apply for purposes of determining adjusted gross income for purposes of this section.

''(c) NONRESIDENT ALIEN.—In the case of a nonresident alien individual, only amounts taken into account in connection with the tax imposed by section 871(b) shall be taken into account under this section.

''(d) MARITAL STATUS.—For purposes of this section, marital status shall be determined under section 7703.

''(e) NOT TREATED AS TAX IMPOSED BY THIS CHAPTER FOR CERTAIN PURPOSES.—The tax imposed under this section shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.''.

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 1 the following new item:

''Sec. 1A. Increase in tax on high income individuals to finance the GI bill.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

(d) SECTION 15 NOT TO APPLY.—The amendment made by subsection (a) shall not be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

TITLE VIII—GENERAL PROVISIONS

AVAILABILITY OF FUNDS

SEC. 8001. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

EMERGENCY DESIGNATION

SEC. 8002. Each amount in each title of this Act is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

SHORT TITLE

SEC. 8003. This Act may be cited as the ''Supplemental Appropriations Act, 2008''.

AMENDMENT NO. 4789

(Purpose: In the nature of a substitute)

Mr. REID. Mr. President, I move to concur in the House amendment—that is amendment No. 2—with an amendment that is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment No. 2 with an amendment numbered 4789.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4790 TO AMENDMENT NO. 4789

Mr. REID. Mr. President, I have a second-degree amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4790 to amendment No. 4789.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

I ask unanimous consent to speak from my desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair, Mr. President.

SENATOR TED KENNEDY

Mr. President, before we begin consideration of this important spending bill, I wish to take a moment to say how distraught and terribly shaken I am over the news of my dear friend, my dear, dear friend, TED KENNEDY. My thoughts and my humble prayers are with Senator KENNEDY, my dear friend, TED; with his wife Vicki; and with the members of the Kennedy family.

I hope and pray that an all-caring, unlimited God will watch over TED and keep TED here for us and for America. TED, TED, my dear friend, I love you and I miss you. And Erma, Erma, my darling wife Erma, would say: Thank God for you, TED. Thank God for you.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this afternoon we take up legislation making emergency supplemental appropriations for the wars in Iraq and Afghanistan and to help Americans cope with a sagging economy. One year ago, Congress sent the President a war funding supplemental that included clear direction to bring our troops home, home, home, sweet home, from Iraq by December of 2007. The President chose to do what? Shame. He chose to veto that bill. If he had signed that bill, most of our troops would be home, home, home, sweet home today. Instead of bringing our troops home, the President demanded an increase in our commitment of U.S. troops—shame—and treasure to this terrible, awful war that has now entered its sixth year—sixth year. How long? How long, O Lord, how long?

Mr. President, 4,081 American soldiers have died—died. One can only die once. Over 30,000 U.S. soldiers have been wounded. By the end of 2008, the war in Iraq will have cost over $608 billion—over $608 billion. That is more than $608 for every minute since Jesus Christ was born.

Today we are considering the President's request for another $178 billion—another $178—billion for the wars at a time when the U.S. economy is in trouble. Well, one thing is clear. Yes, I am sorry to say one thing is clear in this request: American fighting men and women—your brothers and sisters and mine—will continue to be in Iraq when the Presidency of George W. Bush ends on January 20, 2009. Shame. I was against that terrible, horrible war from the beginning and so stated on this floor time after time after time.

Long after our military fulfilled its mission in Iraq, the White House failed to advance a viable strategy for establishing long-term stability in Iraq. In response, we in the Congress will support our troops—your troops, my troops, our troops—but we will also continue our efforts to get our troops out—O-U-T—of Iraq with honor and take care of our troops after they come home.

In the third committee amendment, we set a goal for reducing the scope of the mission in Iraq by June of 2009. We ensure our troop readiness levels are maintained. We limit the time our troops will serve in Iraq. We require Iraq to use more of its surplus oil revenues for reconstruction costs, and we require that any long-term commitments this lameduck President may make with the Government of Iraq be considered as treaties, subject to approval by this Senate.

While the war continues in its sixth year—shame—our economy at home is in trouble. Because of President Bush's failed fiscal leadership, in the last 7 years the U.S. Government has amassed the five largest deficits in the history of this great Republic. President Bush has more than doubled the U.S. debt held by China, Japan, and other countries. Economic growth almost came to a halt at the end of last year, with the gross domestic product falling from 4.9 percent in the third quarter to 0.6 percent—0.6 percent—in the fourth quarter.

Growth remains at a paltry 0.6 percent this year. Since March 2007, the number of unemployed has increased by 1.1 million workers up to 7.8 million workers. In April, the number of Americans who were out of work for at least 27 weeks rose to 1.35 million.

Yet the President—your President, my President, our President—is satisfied to allow unemployment benefits to expire after just 26 weeks. Did you hear that? Shame. I have reviewed the President's request carefully, and there is no evidence—none—of the President asking for funding to invest in America or to help struggling Americans deal with the faltering economy.

Yet the President—your President, this President, our President—has already thrown down the gauntlet by threatening to veto the supplemental bill if the Congress has the temerity—did you hear that—to add one thin dime above his request in order to help our citizens at home.

Thirty-two months after Hurricane Katrina, the President continues to resist efforts to help the victims of that terrible storm. The homeless population in New Orleans has doubled to nearly 12,000 since Hurricane Katrina. Only 48 percent of the pre-Katrina hospital beds in the region were staffed as of November of 2006. Violent crime in Louisiana grew 53 percent last year.

In the last 18 months, the President has designated 61 disasters for floods in 32 States. Yet the President has not—n-o-t, not—you know, there was a duel between John Shot and John Not. In this case, it was better to be Shot than Not. The President has not requested funds to repair levees or other flood prevention efforts, leaving our citizens in Arkansas—did you hear that—Missouri, Louisiana, and other States, vulnerable to more flooding. But when it comes to Iraq, the President wants the dollars to flow, flow, flow.

Congress has already approved $45 billion requested by the President for reconstruction projects in Iraq. Despite the fact that the Iraqi Government is running a huge surplus due to excess oil revenues, our President—your President, my President, the American President—is asking this Congress—the buck stops here—asking you and me and the people in this Congress to approve another $5.6 billion of American taxpayer dollars for reconstruction in Iraq.

The President claims that by adding funding for America to this bill we are holding hostage money for the troops. Oh, my heavens, what hogwash. What hogwash. Last year, we sent the President a war supplemental that increased funding to provide better health care for our soldiers, better health care for our veterans, more funding to equip and train the National Guard and Reserve, more funding for mine resistant vehicles, and clear direction to bring our troops home—home sweet home. This year, we once again take care of our troops, but we also invest in America.

Last week, the Senate Appropriations Committee met and approved amendments that meet these objectives. Based on the committee action, the Senate will consider amendments that fully fund the President's request for the war. In fact, the legislation increases funding above the President's $168 billion request for the Department of Defense. We include increases for the health care of our troops, for Guard and Reserve equipment, for repairing and constructing barracks, for the mission in Afghanistan, for military childcare facilities, for improving contract management, and for helping—yes, Senator WEBB—wounded troops returning home—home sweet home.

We honor those who have served America by increasing educational benefits for our veterans. We extend unemployment benefits by another 13 weeks. We honor promises made to the victims of Hurricane Katrina by funding a 100-year levee in Louisiana, restoring barrier islands in Mississippi, and by rebuilding hospitals, helping

the homeless, and fighting crime. We roll back Medicaid regulations that our Nation's Governors believe disrupt health coverage for vulnerable citizens. We respond to dramatic increases in food prices by increasing funding for the global food aid program.

We are also generous in providing humanitarian relief to disaster victims in China, Bangladesh, and Burma. We reduce funding for reconstruction in Iraq. We limit the size of taxpayer-financed reconstruction projects. And we require Iraq to match our tax dollars with their surplus oil revenues.

This legislation includes provisions that have broad bipartisan support. The veterans legislation has 58 cosponsors. The Medicaid legislation passed the House by a vote of 349 to 62. I have a letter from 56 Senators seeking additional Byrne crimefighting funding. We fund the Rural Schools Program, which runs out of money on June 30, 2008.

In total, the amendments include $194 billion for programs under the jurisdiction of the Appropriations Committee, $10 billion above the President's request. This increase is less than what we spend in Iraq in 1 month.

So I say to my fellow Senators, Mr. President, this is responsible legislation that supports our troops, responsible legislation that honors our veterans, responsible legislation that helps our citizens cope with a troubled economy.

I urge the adoption of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi, Mr. COCHRAN.

Mr. COCHRAN. Mr. President, we are still wrestling with the challenge of what to do about the supplemental appropriations that have been requested by the administration.

This morning, in our Appropriations Subcommittee on Defense, chaired by the distinguished Chair's State colleague, Mr. INOUYE, and also led on the Republican side by the distinguished Senator from Alaska, Mr. STEVENS, we heard testimony from the Secretary of Defense, Mr. Gates, and the Chairman of the Joint Chiefs of Staff, Admiral Mullen. They drew a very frightening picture of what is happening to the military forces, not just in Iraq and Afghanistan and deployed elsewhere in the world, but also in our training accounts, many other support activities for our military, pay and allowances—all the accounts that fund the Department of Defense that have been included in the supplemental budget request are suffering and many are running dry. The accounts are running dry.

We are at a point that is past serious. I am not going to say it is desperate, but it certainly concerns this Senator that we continue to wait and wait and wait on Congress to act on the President's request for supplemental appropriations for our military forces at a time when they are engaged in military action overseas and protecting our security interests here at home. So I am pleased the Senate is taking up this request to fund activities in Afghanistan and Iraq and to respond to domestic natural disasters.

It is important that we act expeditiously to consider this legislation so we can reconcile our differences with the other body and with the President. The President submitted the bulk of his supplemental request in February 2007 in conjunction with his regular fiscal year 2008 budget submission. He did so because Congress clearly expressed its desire for a full-year estimate of war costs. But Congress did not appropriate a full year's funding. Instead, Congress approved a $70 billion bridge fund to support our operations in Iraq and Afghanistan. Enacting even that amount required a protracted struggle among the House, the Senate, and the President. As a result, the Department of Defense had to issue furlough notices, make a series of inefficient transfers and reprogrammings, and generally function in ways that detracted from its primary duties.

We find ourselves today facing a very similar situation. It has been more than 15 months since the President submitted this request. We have not approved or otherwise acted upon some $108 billion of that request.

The personnel and operations and maintenance accounts that support our activities in Iraq and Afghanistan are running low. This morning, Secretary Gates was asked about the consequences of this situation, and I am going to read into the RECORD, with the permission of my colleagues, some comments directly from that hearing this morning. This is Secretary Gates:

> There is, however, a more immediate concern. Congress has yet to pass the pending $102.5 billion global war on terror request for fiscal year 2008. And as a result, the Defense Department is currently using fourth quarter funds from the base budget to cover current war costs. Shortly, two critical accounts will run dry. First, Army military personnel after June 15. We will run out of funds in this account to pay soldiers, including those in Iraq and Afghanistan. Second, operations and maintenance accounts. Around July 5, O&M funds across the services will run out, starting with the Army. This may result in civilian furloughs, limits on training, and curbing family support activities.
>
> If war funds are not available, the Defense Department can transfer funds from Navy and Air Force military personnel accounts to pay soldiers, but that would get us only to late July. Using the limited transfer authority granted by Congress would also help get us to late July. Doing so, however, is a shell game which will disrupt existing programs and push the services O&M accounts to the edge of fiscal viability.

I could go on. He went on into some more detail about other accounts. I think we get the picture. I got the picture.

Our full subcommittee membership was in attendance for most of the hearing. I was disappointed that I was sitting there listening to the consequences of deliberate actions by the Congress to delay the availability of funding for our national defense, not just war funding for Iraq and Afghanistan; it has implications across the Department of Defense and into other accounts in other departments that are likewise affected by this denial of funding for our forces at a time when we need them to be fully prepared, fully trained, and fully engaged to help win the war against terror.

According to an earlier letter, so you won't get the impression that we have not been forewarned, the Deputy Secretary of Defense, Gordon England, wrote us a letter on May 15 advising us that the Army would run out of military personnel funds by mid-June. He said if the supplemental legislation is not enacted by Memorial Day, the Department of Defense will be compelled to borrow funds from other services to finance Army operations into July and the Army would be out of options to pay its soldiers. He said the Department would be compelled to constrain expenditures from the Army operations and maintenance accounts. He said it will have to issue notices of potential furloughs of civilians funded from this account.

So we have been on notice from the Deputy Secretary and now this morning from the Secretary himself, as well as the Chairman of the Joint Chiefs of Staff.

We have been advised that the operations and maintenance accounts also fund the Commander's Emergency Response Program, a program that is critical to the success of our military commanders in Iraq and Afghanistan. He said those funds will run out in June.

I ask unanimous consent, Mr. President, to have printed in the RECORD the letter from Secretary England.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE
Washington, DC, May 15, 2008.

Hon. THAD COCHRAN
Ranking Member, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR COCHRAN: I am writing you to follow up on the Secretary's letter of May 5 regarding the Department's financial posture and the urgent need for Congress to pass supplemental funding legislation for the Global War on Terror (GWOT).

As briefed to senior Congressional staff last week, absent additional Congressional action, the Army will run out of Military Personnel funds by mid-June and Operation and Maintenance (O&M) funds by early July. Funding for civilian personnel is included in the O&M account. Also included within the O&M account is the authority to continue the Commander's Emergency Response Program (CERP) activities in Central Command. CERP funding is a critical enabler that our ground force commanders are using on a daily basis in Iraq and Afghanistan to shape the strategic environment. This authority will be fully expended in June, and reprogramming actions cannot extend this particular authority.

If GWOT supplemental legislation is not enacted by Memorial Day, then the Department will submit to the Congress two reprogramming actions on May 27. These reprogramming actions for personnel and for

O&M accounts will finance Army operations until late July by borrowing money from other Services. By that point in late July, the entire Department will be in extremis, having exhausted all avenues of funding and will be unable to make payroll for both military and civilian personnel throughout the Department. Service members, including those engaged in Iraq and Afghanistan, would continue to serve but without pay since military personnel accounts would be exhausted.

Further, at that time, O&M funding would also be depleted, and DoD activities around the globe would be reduced to essential activities. Additionally, other measures would need to be taken, such as civilian furloughs and limits on non-essential operations. These highly disruptive steps would have to begin well before late July.

While the Department has the reprogramming recourse on May 27th as discussed, if legislation is not passed by Memorial Day, the Department will still be operating with less than the desired effectiveness and efficiency. Therefore, I urge you to provide the essential GWOT funding before the Memorial Day recess.

Sincerely,

GORDON ENGLAND,
Deputy Secretary of Defense.

Mr. COCHRAN. Mr. President, what are we going to do? Are we going to let our men and women in the field stop their activities? Is that what Congress is urging be done, just sit down, stop what you are doing in Iraq and Afghanistan? I don't believe that. That is not the message this Senate wants to send or intends to send. But we should not put the men and women of our Armed Forces and their families here at home through such an ordeal and a period of such unnecessary uncertainty. We should not cause the Department of Defense to operate at less than peak efficiency or take actions that are demoralizing for Department personnel simply because Congress fails to act in a timely manner.

I don't know why it has taken Congress so long to act. I do know the request has been before the Congress for more than 15 months. Think about it: an emergency supplemental request for funds for national security languishing in Congress for 15 months. Most people don't know that.

We have held hearings, we have had meetings with administration officials, we have heard testimony from General Petraeus, our commander in Iraq. Our Ambassador in Iraq has testified about the consequences on accounts for the Department of State which are also included in the legislation. But instead of marking up a supplemental bill to respond to the request a month ago, as had originally been planned, the majority chose to spend weeks talking with the majority in the other body, trying to decide what to do, when to do it, negotiating with themselves.

I would have hoped that the legislation could have been brought up under a better parliamentary scheme designed to get the job done, not to just create political advantage, not just to put off the inevitable day of reckoning. That is an unfortunate choice to make. The fact is, had we followed the regular order, we could have had a bill to the President by now. Had he chosen to veto the bill, we might well be working this week to resolve differences with the administration and produce a bill that could be signed or whatever the Congress decided to do to work its will, but to act. Instead, we are facing the approach of a Memorial Day recess with no clear path, no clear plan to enactment of legislation and little prospect for meaningful input by Members of the Senate.

I applaud the chairman of the Appropriations Committee, my good friend from West Virginia, for calling our committee to a markup of the supplemental. When it became apparent that the leadership plan was to bypass the Appropriations Committee in both Houses, our side wrote a letter to the chairman expressing our preference for a committee markup. I suspected that was consistent with his views, too, and that was correct.

We know about the prerogatives of the Appropriations Committee and how the chairman safeguards those and how he respects all members of our committee. So he honored that request. But the other body has not acted in this way. There still has been no markup in the other body.

So we are in this dilemma. We are asked by our respective Houses—the Appropriations Subcommittee on Defense—to make recommendations, to produce legislation to take care of our country, to defend our interests, but we have not found a pathway to enacting a bill or responding in a professional way to the wishes of our Members.

As it stands now, the Senate amendments contain a number of legislative provisions and appropriations that were not included in the President's request. The President has said very clearly he will veto this bill if it includes language that unduly constrains our military commanders in the field in Iraq and Afghanistan or which imposes artificial timelines for withdrawal. He has also said he will veto a bill that is too costly.

I am not one who thinks an appropriations request submitted by this President or any other President is written in holy tablets, somehow immutable and not subject to improvement or change during the legislative process. The Senate and the House have a right to work their will. Since the President saw fit to recommend certain measures to protect the State of Louisiana from future hurricanes in response to Members' requests for those funds, I thought it appropriate to recommend certain projects that would similarly be helpful to my State, which was also a victim of Katrina, to deal with the continuing challenges to the security and the well-being of the citizens of that region if other hurricanes strike in the future.

The President has every right to look at those requests and make his decision. But I do not think he is going to veto this bill because of those requests that are included in the bill. I think he is sympathetic to the needs of the Mississippi and Louisiana gulf coasts and elsewhere in the country, so accounts that were depleted because of the destruction of the hurricane can be renewed and resupplied in this supplemental. The committee has approved including those funds.

We need to find common ground. This is what I am saying. We have had differences of opinion with the administration—Members on my side have; some on the other side have—for various reasons. But let's get to a point where we can work out our differences. If he wants to veto the bill, he will veto the bill, and we will see whether we have the votes to override it. If we do not, we can try again. Eventually these funds have to be made available. These requests are too important to be ignored any longer. We need to find common ground. That is what I am saying. And we need to do it now.

We do not need to prolong this activity—describe it however you want to—any longer. We need to get down to brass tacks. We cannot allow political maneuvering on either side to obscure our core duty in this matter. We need to provide our men and women in the field with the resources necessary to conduct successfully the mission assigned to them by our Government, and to do it without undue delay.

I do not think the exchange of messages—strategy, or whatever you want to call it—is appropriate or necessary as a substitute for legislation. I do not think it will result in an enacted bill any sooner than had we simply acted in the regular order. But that choice has been made, and we must deal with it. I will do my best. I commit myself to work with the Senate leadership, with our colleagues in the other body, and with the President to find a way to get the job done in a timely manner.

I yield the floor.

Mr. BYRD. Hear, hear.

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank Senator COCHRAN for his views and his many courtesies. Last week the Senate Appropriations Committee had a 3½-hour markup of the important legislation that is now before the Senate. I hope the Senate can approve this legislation to support the troops and to help Americans cope with the sagging economy—this week.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WEBB. Mr. President, I ask unanimous consent I be allowed to engage in a colloquy with the senior Senator from Nebraska and the senior Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEBB. Mr. President, I would like to join two of my three principal cosponsors on S. 22 in speaking about how important this piece of legislation

is, and how appropriate it is to have it be placed on the supplemental appropriations measure. The senior Senator from Virginia has an amendment we are going to offer. Hopefully, in the spirit of what the Senator from Mississippi just said, we will try to lay some of these arguments by the wayside and get a bill that will truly provide the right kind of readjustment benefits to those who have been performing such exemplary service since 9/11.

S. 22 was introduced on the first day of this Congress. From that point we have had strong bipartisan and bicameral support. We now have 58 cosponsors in the Senate, including 11 Republicans. Among those Republicans is the senior Senator from Virginia, the former chairman of the Armed Services Committee, and the senior Senator from Nebraska, the only Member of this body to have served in a high-ranking position in the Department of Veterans Affairs.

Just last week in the House, in spite of some of the debates that went into pay-for provisions and tax provisions, we saw a strong vote. We had 300 sponsors of this provision in the House, including more than 90 Republicans. Even on what was largely viewed as a partisan vote in other areas, we had 33 Republicans vote for this bill.

This bill is supported by the current chairman of the Armed Services Committee; as I mentioned, Senator WARNER, the former chairman of the Armed Services Committee and the former Secretary of the Navy; the serving chairman of the Veterans' Committee, Senator AKAKA, who was just in the chair; the former chairman of the Veterans' Committee, Senator SPECTER. It has the strong support of all of our leading veterans organizations, including the American Legion, the Veterans of Foreign Wars, the Iraq-Afghanistan Veterans. The Disabled American Veterans have taken a firm position, as have many more.

We have, I would say, at least 15 of the top veterans organizations having participated in the modification of this bill and strongly supporting it. Many major higher educational institutions and associations have endorsed this bill, including the American Council on Education, the National Association of Independent Colleges and Universities, and the National Association of State and Land Grant Colleges.

This bill is carefully crafted. It has been substantially improved by the participation of all of the groups that I just mentioned plus many of our Members. It is appropriate on this legislation as a cost of war.

There are people who discuss this in terms of cost. This is a bill that closely resembles the benefits that we gave to our returning veterans in World War II—a series of educational benefits which leveled the playing field in America and allowed those who served a first-class opportunity to move into the future. We owe these young men and women who have been serving since 9/11 no less. We owe them no less. This is emphatically a cost of war.

When we can spend $600 billion and, by some estimates, $3 trillion in a life cycle as a result of this war, the least we can do is spend the money in this bill to allow these people the best opportunity they have to succeed in their lives.

There has been some resistance from some of the Members of this body—some of the Republican Members of this body—and also from the administration to this bill. Some have said it is too generous. I just discussed that. We worked very hard to make it fair and relevant to the priorities we should be having. Some have said it would be difficult to administer. We have worked with the Department of Veterans Affairs and with the Department of Defense on areas where they had concerns, and we addressed those concerns. It is interesting to point out, for those who talk about the potential difficulty of administering a bill such as this, that the U.S. Department of Veterans Affairs was able to administer a very similar bill after World War II in a day where we didn't have computers, and they were able to do it for 8 million people. We are not talking anywhere near that number, so I believe we have addressed all of those concerns.

The last issue that has been discussed, and it has come up again and again, is the concern that provisions such as are contained in this bill would affect retention in the Active-Duty military. As someone who has spent 5 years in the Pentagon, 1 as a marine and 4 as a defense executive working on manpower issues—and I am sure Senator WARNER who spent more time in the Pentagon than I have would share this commentary—I believe the provisions of this bill actually will dramatically increase recruitment and that the manpower model would benefit from it.

With respect to retention itself, the discussion has been made that a bill like this should have, as a part of it, a concept called transferability, which would allow Active-Duty military people to transfer this educational benefit to family members.

I want to make a clarification as to where the main target of this bill is, then I want to speak very briefly about transferability, and then I would like to recognize my colleague from Nebraska.

I believe there is a misperception in this country that because we have an all-volunteer system, we actually have an all-career military. We do not. A lot of people come to the military in the United States because they love their country, because they have a family tradition, because they want to soldier for a while and then move on to other things. Frankly, these are the people who have not been properly taken care of in the years since 9/11, and they are the principal target of our legislation.

The U.S. military has done a very good job taking care of its career force. When you hear arguments about entitlement to transferability, again, they are talking about managing the career force. But these are the actual numbers that have been given to us by the manpower chiefs in the Department of Defense.

In the U.S. Army, by the time a cohort group has finished its first enlistment, 75.5 percent of them have left or will leave the U.S. Army at the end of a first enlistment. In the Marine Corps, 70 percent of the people who enlist will leave by the end of their first enlistment, either through attrition or deciding not to reenlist. For approximately 50 percent of the Air Force and the Navy it is the same.

If you look at the Active-Duty military on the enlisted side, an overwhelming majority of them leave the military by the end of their first enlistment. These are the people who have had readjustment difficulties that we have talked about. These are the people who deserve to have a first-class education in order to move them into the future.

This group over here, about a quarter of the Army, about 30 percent of the Marine Corps, and about half of the Air Force and the Navy, are the people who reenlist at least for one term. This is the group that has received so much of the argument of this administration on issues of retention. We need to take care of this group. We are prepared today to discuss a way to address this transferability issue with this smaller but very important group.

I point out with the issue of transferability that Senator WARNER had introduced a provision that was enacted into law about 6 years ago that allowed the Service Secretaries to provide transferability to military people at the discretion of the Service Secretaries as a retention device. This has been in the law for 6 years with respect to the Montgomery GI bill, the bill we are going to replace. It has almost never been used.

On the one hand, we hear all this talk from the Department of Defense about how important this is and how they hear about it every day when they go out to their meetings and their townhall meetings, but the Service Secretaries have almost never used this benefit that has already been on the books. So I am concerned about how widely this benefit would actually be used.

At the same time, I believe it is important, and our principal sponsors believe it is important, that we continue the existing law with some modification to give the U.S. Department of Defense the opportunity to test it again, to put it in this bill, continue it as law with some tweaks on it. As the Senator from Mississippi had said earlier, I hope with this gesture that we can get full support for this legislation and get it into law. The clock ticks for young people after they leave the military in terms of how they are going to readjust to the rest of their lives. The clock has

been ticking for a lot of people since 9/11, and it is our duty to do something about it this year.

With that, Mr. President, I yield to my colleague from Nebraska, my longtime friend, Vietnam combat veteran, and former official in the Department of Veterans Affairs.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Mr. President, I am grateful to my colleague, the junior Senator from Virginia, for his continued leadership and years of contributions to our country, especially on behalf of our veterans. I would like to make some remarks focused on the general scope of what this effort is about.

The Senator from Virginia has laid out very concisely, cogently, some of the realities of the force structure we have today and why it is important and in the opinion of almost 60 Senators and over 300 House Members that we take the so-called GI educational benefits this country committed to beginning in 1944 when President Truman signed the first bill and roll those forward into the 21st century, because what has happened is that we are now caught in a different kind of a world, different kinds of wars, different kinds of requirements. But what has not changed is the absolute necessity that we rely on quality individuals to man our force structure. In a world that is far more complicated, combustible, and dangerous than ever before, it has required new sets of skills, obviously technologies, to defend our country, our interests in the world. It is that reality that we must adjust to within the framework of all of our policies.

What we are doing here is not adding a new benefit, we are not adding a welfare program; what we are doing is we are bringing up to date the benefits earned by men and women who have committed a good part of their lives to our country. We had that debate a long time ago, whether America wants to do that. Now, unless there are some individuals in the Congress or in America who want to go back and reengage that issue, we can do that, but I do not think that is the case. I think we recognize those who serve. I think we also, in recognizing their service, understand they have earned certain benefits.

So we are rotating a GI educational benefit system forward into the 21st century, a system that has not been changed for 25 years. And as reflected in Senator WEBB's charts—these, by the way, I remind our colleagues, as was noted by the junior Senator from Virginia, these are not his numbers, these are numbers from the Defense Department. So if we are to take care of our people, because we rely on our people to take care of us, if we rely on that rifleman, that person at the bottom who has always been the one whom we have asked to fight the war—fight the war, die in the war, sacrifices by their families, those who do not come back, many who come back are seriously scarred, wounded, will never recover. That is the reality of the world in which we are living. So we are talking about a relevant system, relevant to today's costs for an education.

I benefited from the GI bill when I came back from Vietnam, as did the junior Senator from Virginia, as did the senior Senator from Virginia when he came back from World War II, the Korean war, as did almost every veteran in this body who has fought in a war benefitted from this program. So it is important that we get something very clear; that is, this is not a new program.

Now, as the Senator from Virginia noted, this then fits into the larger framework of a cost of war. Unless we are going to just discard the people whom we count on, that rifleman at the bottom who does not have much say in all of this, by the way—he is told to take the hill; he takes the hill. He doesn't set policy. Our military doesn't set our war policy. They have input and influence into the strategy, into the tactics, but we, the elected officials of America, starting with the President, his team, and the Congress, we are the ones who set policy, we are the ones who engage our Nation in war.

By the way, just as an aside, I think we should go back to a day in this country when we wanted and did, in fact, commit our Nation to war, we should declare that in the Congress of the United States, we should declare war rather than these skirmishes that we kind of on the side fund and we on the side deal with. We on the side never really come clean with the reality.

Here is an opportunity for us to do what is right and what is wise—what is right and wise; that is, to bring this educational benefit program forward.

The Senator from Virginia noted something that is very important—the administration of this program. That is always important, who administers the program, how will it work, can it work?

We have worked very diligently—our staffs, with many Members involved—with the Veterans' Administration, the Department of Defense, to make this work. We have ample testimony, recent testimony before the Veterans' Committee in the Senate from senior Veterans Administration' officials saying: This can work. We can now do this. We can implement this.

The cost. The cost is an interesting debate, in my opinion, because if, in fact, we are a nation that can afford the cost of war, we can afford $12 billion a month waging the war in Iraq, we can afford all the requirements it takes for a nation to go to war, but somehow we are disconnected from the obligation and responsibility of taking care of those who fight the wars? We somehow can't find the money for that? We somehow want to look the other way? I don't think so. I don't think the American people—and they never have been—are in agreement with that.

As to the retention issue, the Senator from Virginia again addressed this. Even taking the Senator's arguments, as clearly as the Senator from Virginia did, and making those arguments—and I can make them again, and others will—I am not sure that is even necessary because this is not a retention bill. There is a consequence to this bill, of course. We should frame within the text and the context of this bill a dynamic of retention: How can we make it attractive for our young people to serve aside from the fact that they love their country, they want to be part of something larger than their own self-interest, they want to make a noble contribution to freedom, to the world, to peace, to their families, to their future? And you can't substitute that. That is bigger than any benefit. Of course it is.

But the reality is, just as Harry Truman and just as our leaders back during World War II understood, just as every leader has understood since then, as we have continued to commit to our veterans, those who fight the wars and their families, it is wise to reinvest in our society.

How do you reinvest in our society? Well, one way, certainly an important way, is education. It is assuring these men and women who give of themselves—in a very selfless way that very few people do, by the way, especially today, when you look at less than 1 percent of the society, the American society, our population, less than 1 percent is bearing all of the burden. They are carrying it all for the rest of us. What do I mean by that? Because they are the few who are serving in two wars, rotation after rotation in Afghanistan and Iraq and on duty all over the world and in this country. So when they are finished, just as the Senator from Virginia has noted, in the Army and Marine Corps, it is more than 50 percent, after the first enlistment, that leave. Would it not be smarter, would it not be wise to reinvest in these people, to help them get an education so they can continue to contribute to America and strengthen America in every way?

National security is not only about the military. In fact, I think we can make a pretty strong argument that the military is obviously an essential component, but just as important is the economic vitality, this culture, the society, the commitment, the education of a society. That all has an awful lot to do with the national security of a nation.

This makes sense. This bill makes sense. It makes sense on this supplemental. This isn't divorced from that. This isn't an add-on to that. This isn't something we just invented. This is part of a larger context of service and earned benefits for those who serve.

I am very pleased that we are finding more and more ways to enlist more individuals in this effort. I think with what the Senator from Virginia noted as to an add-on on transferability, it

makes it more attractive. The senior Senator from Virginia, I assume, is going to speak to that when he takes the floor in a moment. I think when we frame up all of this, as the Senator from Virginia noted, this is the product of a composite of contributions from many individuals, from almost every veterans group I am aware of, from people who care about their country, who care about the veterans who serve this country, and care about our future.

I appreciate the leadership of the junior Senator from Virginia.

I understand in our series of colloquies that the senior Senator from Virginia is prepared to make some comments.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from Virginia.

Mr. WARNER. Mr. President, I thank my colleague, Senator HAGEL, and I thank my distinguished partner in the Senate, Mr. WEBB. We have known each other for a very long time, over 30 years. When I was in the Pentagon, we were associated together at that time. He had a long and distinguished career in the U.S. Marine Corps and following that in the Department of Defense in two very senior—including Secretary of the Navy—positions of civilian leadership. He has shown that same leadership from the day he crossed the threshold of the Senate, that this is his No. 1 priority. And how pleased and, indeed, humbled I am to join him and my good friend, Senator HAGEL, in making this possible.

What we are trying to do, very simply, is to enable this generation of young men and women to have, as nearly as possible, the same benefits as former generations—most specifically, the generation from World War II and the Korean War generation of which I was a part.

Both of these gentlemen are highly decorated combat veterans. I have a less significant career in the service. But all three of us bring our own experience to bear on thinking this is essential for this generation who is going out and fighting as courageously as any servicemember in the history of this country and, in fact, perhaps with an added measure of courage because they are fighting an enemy that is so difficult to define, an enemy that does not have any state-sponsored nation attached to it, which is the form of the terrorism today.

I wish to thank the distinguished chairman of the Appropriations Committee, who has graced us on this floor for the purpose of listening in on this debate, for guiding it through the current supplemental bill in the Senate, and including Senator WEBB's bill in it. Indeed, I saw Senator MURRAY here and Senator INOUYE, who both helped us get that done.

Now, much has been said by my colleagues about how we are trying to bring up the level of funding for the GI bill from the current existing Montgomery GI bill.

Mr. President, I ask unanimous consent to have printed in the RECORD this document which traces the history of what is known as the Pell Grant Program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PELL GRANT FUNDING, FY2000–09

Fiscal year	Academic year	Maximum award	Recipients	Average award	Appropriation
2000	2001–01	$3,300	3,899,433	$2,040	$7,639,717,000
2001	2001–01	3,750	4,812,000	2,411	8,756,000,000
2002	2002–03	4,000	4,778,507	2,434	11,314,000,000
2003	2003–04	4,050	5,139,638	2,469	11,364,647,000
2004	2004–05	4,050	5,308,433	2,473	12,006,738,000
2005	2005–06	4,050	5,164,000	2,455	12,364,997,000
2006	2006–07	4,050	5,159,139	2,480	* 17,345,230,000
2007	2007–08	4,310	5,427,611	2,650	13,660,711,000
2008 Discretionary		4,241			14,215,000,0000
2008 Mandatory		490			2,030,000,000
2008 Total	2008–09	4,731	5,577,937	2,945	16,245,000,000
2009 Request		4,310			13,851,059,000
2009 Mandatory		490			2,090,000,000
2009 Total Request	2009–2010	$4,800	5,764,108	$3,154	$18,941,059,000

Source: Compiled by CRS from Department of Education tables, based on December 2007 assumptions.
Note: Appropriations may include funds to retire previous year shortfalls. This amount inlcudes $4.3 billion in mandatory funding to eliminate the program's accumulated funding shortfall.

Mr. WARNER. That is a very fine program enabling individuals who are qualified to go to colleges and universities all across America—all across America—to any college or university that accepts them, to obtain a grant from the United States of America to help him or her with their tuition and other expenses.

This is the interesting thing. The program was initiated in 2000, but I use as a benchmark the year 2001. There were 4.8 million individuals who accessed this program. The Congress appropriated $8.7 billion to defer their expenses. Fast forwarding from 2001 until 2009, the total request is as follows: roughly, a 20-percent increase in the number of individuals going. It goes from 4.8 million to 5.7 million, a little under 1 million. Now here is the astonishing thing. The amount of money Congress appropriates for the 2009 class of 5.7 million is $18.9 million.

Mr. WEBB. Will the Senator yield?

Mr. WARNER. Yes.

Mr. WEBB. My understanding of the program is that would be $18 billion.

Mr. WARNER. I thank the Senator for correcting me. In the year 2009, it is $18.9 billion. That is over a 100-percent increase, keeping up with inflation, keeping up with added expenses. But that is not the case with the existing GI bill. Although there has been a CPI adjustment, it doesn't compare to how Congress has treated the category, a well-deserving category, of the Pell grants. So this is essentially what we are trying to do.

My colleagues, the three of us, have worked together on the question of transferability. I wish to go back and acquaint the Senate with some history. I was chairman in 2001 of the Armed Services Committee, and I worked with a distinguished former colleague, Senator Max Cleland. He introduced, along with myself, on May 23, 2001, an amendment on the ability of a service person, after stipulating periods of time, to have some transferability to his family. The cosponsors, at that time, of the original amendment were Senators BINGAMAN, DAYTON, KENNEDY, LEVIN, and myself. I was the only Republican. There were several other Senators, four more. I was the only Republican who stepped up at that time. Later it became a bipartisan effort. In the evolution of events that year, we marked it up. But here is the interesting thing. On June 28, 2001, in the Senate Committee on Veterans' Affairs, at a full committee hearing, there was no markup or no action taken on the bill. So then we decided, on the Armed Services Committee, we would act. In September of 2001, our bill was accepted by the full Senate and became law on December 28, 2001.

I pay my respect to those who formulated the concept of transferability originally in the Senate. It is the law today. I will send to the desk later today an amendment, which Senator WEBB, Senator HAGEL, and I worked on. We are joined by two other original cosponsors, Senator LEVIN, current chairman of the Armed Services Committee, and Senator AKAKA, current chairman of the Veterans' Affairs Committee. This amendment will be filed at the desk this afternoon. We are going to make a technical adjustment to it. The purpose of this amendment is to provide a 2-year pilot program of transferability. We track as closely as possible the original law I recited that was enacted on December 28, 2001. The details will be provided to the full Senate when we file the amendment.

Essentially, we are asking an individual to complete his or her first 4-year term of enlistment and then, if they enlist for another 6 years, there is a vesting over a period of time of the

full transferability of their benefits, as a sequence of time, to their family.

In the letter from the Secretary of Defense to the Senate, which talked about the need for transferability—and I am not sure at that time whether he was referring to the existing law or a new law—he said: ''Transferability supports military families, thereby enhancing retention.''

There it is. We are meeting the Secretary of Defense's letter to the Senate expressing the need for this transferability.

In my career, winding up 30 years in the Senate, I can't think of a piece of legislation in which I have had a greater emotional involvement. I am so pleased to share it with my good friend, the junior Senator from Virginia, and my friend from Nebraska. As I said when we first began to debate this bill, with a deep sense of humility, it is highly unlikely I would have ever achieved the opportunity to come to the Senate had it not been for the GI bill given to me by the United States in return for modest service in the last year of World War II and then a second period of active duty service during the Korean War, this time in the Marine Corps. I feel it so strongly in my heart. I don't know of any time I have felt more strongly the need to do something than this today.

Through the years, I have been to Iraq many times, Afghanistan. Throughout the intervening period, I visited military bases and spent as much time as I could with the men and women of the Armed Forces today. Each of us does the same thing, works with our military. On Monday, I was privileged to go into the State that Senator WEBB and I are privileged to represent. We worked together to get funding in years past—and he is supporting it today—to build a new armory for the National Guard in Virginia, a famous regiment that fought in World War I and World War II. Members of that regiment were the first to go in on D–Day. They fought subsequently. I felt at that time that we are doing the right thing with this bill, taking care of those future guardsmen and reservists and active-duty individuals. This is the right thing for the Senate to do.

I understand there are honest differences of viewpoints and approaches. That is true with all legislation. Other colleagues have put in a different bill. It had a section on transferability. In some ways, it tracked what is existing law but not in the way we are doing this. This amendment, this bill, if amended, will bring forward existing law, incorporate it into the underlying amendment sponsored by Senator WEBB and ourselves, and that will become, hopefully, at some point in time the new law that will govern future benefits of our GIs and sailors, airmen and marines. We file it today because I do not know exactly how this supplemental will go through. I don't know if there will be a window of opportunity put on it. If there is, we will exercise that opportunity. But if it is not, we are going to, as a team, bring it to the attention of the Armed Services Committee in the context of the annual authorization bill, which I presume will be done just before the Fourth of July recess.

We will affix to it that bill so it will eventually be amending the underlying bill, which I hope becomes law very soon as a component of the supplemental process now being undertaken by the Senate and the House.

Again, I salute my colleague from Virginia and my colleague from Nebraska. We have been here together. We have shared many opportunities to do something such as this together but none as important as this one.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank Senator WEBB, Senator WARNER, and Senator HAGEL for their leadership on this extremely critical issue of providing education benefits to our veterans. I am a cosponsor of their legislation and was happy to include it in the emergency supplemental legislation, approved by the committee last week and now pending before the Senate.

On another subject, for purposes of compliance with Senate rule XLIV, I certify that the information required by Senate rule XLIV related to congressionally directed spending has been identified in the committee explanatory statement filed on May 19, 2008, and that the required information has been available on a publicly accessible congressional Web site in a searchable format at least 48 hours before a vote on the pending bill.

Mr. WARNER. Mr. President, I thank my longtime friend and Member of this institution, Senator BYRD, for endorsing this bill and becoming a cosponsor. I also thank the Senator from Washington, Mrs. MURRAY, who worked on this legislation and seeing that it was put into the supplemental.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR TED KENNEDY

Mr. DOMENICI. Mr. President, I do not wish to use much of the Senate's time—just a few moments—but I came to the floor to say some words to my good friend, Senator KENNEDY, and his family.

We heard the early news, and then we heard the late news, in which you have been described as being a little bit more ill than we thought. I wish to say to you and your family, as a fellow Senator from the other side of the aisle: I wish for you the best and hope the Good Lord intends for you to get well so you can come back and accomplish some more things and so you and I can have some more arguments and so you and I can have red faces when you argue and I argue and my wife calls up and says: You both are arguing so much that your faces are so red nobody will listen to you.

That happened once, and I did communicate to Senator KENNEDY that my wife had told me I was getting too red in the face because I was yelling. I asked her: What about Senator KENNEDY? And she said: Well, that is not your business, but he is yelling too much too. So I told him that, and he had a big laugh.

I wish to say to him that this great big bill we are working on—parity for the mentally ill by the insurance companies of America; about a 6-year project of his and mine—the House sent us back the bill today, Senator KENNEDY, believe it or not. After all these days we have been wishing we could get something, they sent us that bill today. They did not send us exactly our bill, so who knows how much longer we will have to work at it. But this one, big bipartisan bill you started helping me with when I was in the majority, we have not got it there yet, but we will. It has been a pleasure working with you on that and many other things.

But most of all, I came to the floor knowing it is not easy to get a hold of you, and I do not intend to try to bother anybody, but at least in the Senate, we are free to speak, so I am speaking how I feel: that I hope you get well, and I hope the Dear Lord blesses you and your wonderful wife, whom I have known, not as well as I know you, but what a nice lady she is. On behalf of Nancy and myself, we say to her, we hope everything goes the very best it can. You are in the best of care—and that is what you should have—and we hope you get well.

Thank you. I thank the Senate for the few moments yielded to me.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

Mr. DORGAN. Madam President, midday today during our Democratic Caucus, when we learned our colleague Senator KENNEDY is now facing some very serious health problems, it is an understatement to say we were all shocked by that news and saddened by it.

Senator KENNEDY has for decades been a major presence in this Senate Chamber. He is a friend, a colleague, and all of us have said prayers today for his recovery.

Senator KENNEDY has faced much adversity in his life, but he has also contributed so much to this country. I know he will meet this challenge with the same strength and the same grace he has met other challenges. It is my purpose today to say it is my prayerful hope, and I know the prayerful hope of all Members of this Chamber, that in the row behind me and four desks to my left we will once again at some point in the future see Senator KENNEDY among us to continue his service to his country.

My thoughts and prayers are with our colleague for a full recovery.

Madam President, I wish to visit for a few moments on the piece of legislation in front of us which includes the GI bill. We have had a GI bill in this country for many decades. There is a new GI bill in the underlying legislation that is brought to the floor of the Senate. I am so proud to be a cosponsor of it and to be a part of what so many in this Chamber have put together. The GI bill is such an important part of what this country does and says to those who serve this country.

This weekend I traveled, and at an airport in Minneapolis there was a family—a man, a woman, and three children; three very young children—getting on the same plane I was boarding. They were from North Dakota but they lived on a military base in Georgia. The wife came up to me and said hello. She said: My husband has done three deployments in Iraq. I hope—I so hope—that you can find a way to end this war.

This is a woman who has watched her husband leave for Iraq three times; a woman who is taking care of her three young children while her husband is deployed three times to the country of Iraq. I visited with her husband and her children, and I know that family is proud to serve their country. I know the entire family is proud of that soldier's service. But I also know the costs of that service, because you could see it in the eyes of that soldier's spouse.

Also on Saturday morning I went to an event in one of our cities. It was a homecoming event for 35 soldiers who had just come back from deployment in Afghanistan. These were National Guard soldiers. They too were so proud to have served their country, and some of them had been deployed twice; two deployments to Iraq or Afghanistan. One or two had been on their third deployment. Their families were there and all of them were enormously relieved and pleased to have their loved ones home.

I was thinking about those events: meeting a family at an airport, a soldier who is stationed in Georgia but who is a North Dakota native, and visiting with the family members at the National Guard event and saying thank you to them from a grateful nation.

I was thinking about a day much earlier when I was asked to present medals earned by an American Indian who served in the Second World War but had never received his medals. His name was Edmund Young Eagle. He was a Standing Rock Sioux Indian. He was someone who enlisted in the Army in the Second World War and went to war. He served in northern Africa, Normandy, and across Europe. He served with great distinction as an American soldier in some very difficult fighting.

He then came back to the Indian reservation and lived kind of a tough life. He never had very much. He never married. He never had very much in his life, but he lived a good life nonetheless. At the end of his life, he was in the veterans home and then got sick and was put in the veterans hospital in Fargo, ND. His sister contacted my office and asked if her brother could receive the medals he had earned during the Second World War but had never received. We said of course. On a Sunday morning in Fargo, ND, I went to the veterans hospital with the medals for Edmund Young Eagle. The doctors and the nurses and others from the hospital crowded into his hospital room that Sunday morning. Edmund was sick with lung cancer. I didn't know it at the time, but he didn't have many days left. He died about a week later of lung cancer. But on that morning he was fully aware of what was happening, and I was there granting the wish of his sister to get the medals from the Department of Defense that Edmund Young Eagle had earned in the Second World War. We cranked his hospital bed up to a seated position and then I pinned a row of medals on Edmund Young Eagle's pajama top there at the veterans hospital and told him: Thank you from a grateful nation for serving this country in the Second World War. This very sick man looked up at me and said: This is one of the proudest days of my life. He died about a week later. But he served his country and was enormously proud of it.

There are so many circumstances around this country where one by one or in groups we honor our soldiers because they put on America's uniform. This morning, soldiers halfway around the world not only put on a uniform, but put on body armor and went out in harm's way, some to be shot at. They didn't ask why; they just did what their country asked them to do.

Now the question is: When it is all over, when they come home and their service is done, what will their country say then? What will their country say to them, other than thank you?

What we said in the Second World War with a GI bill was when those soldiers came home, we offered them an opportunity to go to college, to help them to be able to purchase a home. So a substantial number of returning soldiers went to college and got a college degree. They went back home and married their sweetheart. They built a home. They built a community. They built their churches. They expanded the middle class. They created an economic boom in this country. Later, it was estimated that for every dollar we spent on the GI bill, $7 was returned because it was an unbelievably good investment for our country.

Senator WEBB, Senator WARNER, Senator HAGEL, Senator MURRAY, and so many others—myself included—as cosponsors of this bill have said it is time again to write a GI bill that is appropriate for wartime and for returning veterans. When soldiers return and become veterans, the question is: What will the GI bill offer for them? How will we invest in their lives, and thereby invest in this country?

The previous GI bill was the Montgomery bill written during peacetime. Frankly, it does not do what we have historically been able to do and willing to do for those who serve our country, in addition to saying thank you. The Montgomery bill existed—and we are pleased it did—but this new GI bill is something very different. It tries to say to soldiers, as we did some 60 years ago, not only thank you, but we want to invest in your lives and invest thereby in this country. It is a new GI bill. It allows an opportunity to go to college and to be able to pay the in-State cost of college with a stipend for living during that period of time that you get your college degree. It invests in the lives of those who have invested their lives in this country. This is a very important piece of legislation.

I am told there are some who now come to the floor of the Senate, nearing three-quarters of a trillion dollars having been spent on emergency supplemental appropriations bills requested by President Bush to prosecute the war in Iraq and in Afghanistan, and say: Well, we can afford that and we have to do that on an emergency basis, but we don't have the money to try to help veterans when they come home. A veterans program is the cost of war.

It is the cost of war. How does anyone say that somehow the three-quarters of a trillion dollars for so many hundreds and thousands of different accounts and contractors and replenishment of various accounts is more important than the single account of the GI bill, which says we want to invest in our soldiers? How does anybody say those myriad other accounts are more important than investing in our soldiers when they become veterans? I don't understand that. It makes no sense.

It is a significant claim and priority for this country to understand that part of the cost of war is to provide health care that is promised to veterans and a GI bill this country can be proud of, which invests in those veterans and our country. That is what this bill is about. This new GI bill is every bit as important—perhaps more important—than any other provision that exists in this large emergency supplemental requested by this President.

The Congress undoubtedly, at some point, in some way, will enact this legislation providing for some supplemental appropriations. When it does, in

my judgment, it must do more than just say thank you to veterans, as we do, but it must invest in veterans, which this new GI bill will do. This makes a lot of sense for our country.

I commend especially those I have mentioned previously, including Senators WEBB, WARNER, HAGEL, MURRAY, and so many others. I am proud to be one among them to say that this too is a priority for this country. I hope when the sun sets at the end of this week, if we have passed this legislation called the emergency supplemental appropriations bill, it will include something that ought to give all of us a reason to be proud and that it will include a new GI bill to say to veterans in this country: You matter. It matters to us what you did for our country. I hope we manifest that by passing a new GI bill in the name of their service.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. DORGAN. Madam President, I know we are on the emergency supplemental bill. However, I want to talk a bit about the energy issue, so I will begin on that. I want to make a couple of points.

First, we sent a bill that the President signed, I believe, this morning, which I offered here along with my colleague Senator REID in the Senate last week. We passed it on Thursday. It said stop putting oil underground when oil prices are bouncing around at $128 a barrel or so. We told the Department of Energy stop putting 70,000 barrels a day underground. We have a Strategic Petroleum Reserve—which makes sense to me because if you run into trouble, you will have oil you have put away. But we have put that oil away, and it is now 97 percent full. Yet the DOE and the Bush administration are topping it off by putting 70,000 barrels a day every day underground.

Our legislation says stop that. When oil is going through the roof and the price of gasoline is so high, stop putting it underground. It makes no sense. You are putting upward pressure on prices, which is the last thing we should do.

I am pleased the President signed the bill today. Some have said it won't make any difference, that there are factors other than the 70,000 barrels going underground that are at play here, and I will talk about them. But it certainly doesn't hurt to put additional oil, and therefore gasoline, into the supply pipeline. That ought to bring prices down. It is common sense.

I used to teach a little economics and the supply/demand curve hasn't changed. If demand remains unchanged and supply is increased, prices are going to be lower. So I never understood why they decided when the Strategic Petroleum Reserve is 97 percent full, why they are taking sweet light crude from the Gulf of Mexico and sticking it underground for a rainy day. It is raining at the gas pumps these days. Stop that and put it into the supply chain and put downward pressure on oil and gas prices.

I am pleased that we finally did it last week. The House passed the bill. We got it to the President and he signed it. That is one step in the right direction. A big step, giant step? Probably not, but it is a step in the right direction in dealing with the question of the price of gasoline.

Now, there is something curious going on in this country. It is not explainable, frankly. This chart says oil prices nearly doubled in 1 year—up, up, up, and up. They doubled in 1 year. What would cause that? Well, here is speculators' activity in the oil futures market. It looks like oil prices, doesn't it? It also goes up, up, and up. There is more and more speculation in the oil futures market. These are not people who want to buy oil—oh, no. They want to buy a contract. They don't ever want to take delivery or get their hands dirty with oil; they want to speculate and gamble in the oil futures market. They want to buy what they will never get from people who never had it, and walk away grinning and deposit their money in the bank—big profits, by the way. It doesn't matter what the consequences are. The wreckage can lie in the gas pump lines, on the family farms, and elsewhere, because they push up prices with this speculation. As you can see on the chart, the speculation looks exactly like the runup in the prices.

The senior vice president of ExxonMobil Oil, on April 1, last month, said:

> The price of oil should be about $50 or $55 per barrel.

But it is not. It is $128 a barrel, $129 a barrel today, and is headed north. So an oil company senior vice president said it ought to be $50 or $55 a barrel.

Clarence Cazalot, CEO, Marathon Oil, said:

> $100 oil isn't justified by the physical demand in the market.

He is president of an oil company.

In January, the Newark Star Ledger said:

> Experts, including the former head of ExxonMobil, say financial speculation in the energy markets has grown so much over the last 30 years that it now adds 20 to 30 percent, or more, to the price of a barrel of oil.

Fadel Gheit, 30 years with Oppenheimer Company, senior energy trader, said this:

> There is absolutely no shortage of oil. I am absolutely convinced that oil prices shouldn't be a dime above $55 a barrel. I call it the world's largest gambling hall. It's open 24/7. Unfortunately, it is totally unregulated. This is like a highway with no cops and no speed limits, and everybody is going 120 miles an hour.

Andrew Hall—I don't know him. I have said I would not know him from a cord of wood. All I know is that the Wall Street Journal reports this trader hit the jackpot on oil as the commodity boom roars on. When they say commodity boom, they are not talking about oil wells, or drilling rigs, or oil tanks; they are talking about the commodities market. Again, it is a market in which speculators abound—an orgy of speculation, with people buying things they will never get from people who never had it, nobody wanting the oil, but wanting to speculate in this class called speculators. Mr. Hall earned a quarter of a billion dollars—$250 million—in 5 years. That is a pretty big payout, actually.

All of these folks who are neck deep in futures markets include hedge funds, investment banks, unbelievable speculation in the futures market, which is driving up the price of gasoline and the price of oil.

Now, it is interesting to me, and I think important for us to understand, that as the price is going up, and it is going up again today, that more pressure will push prices higher. In this country, people will drive to the pumps tonight and try to figure out, how do I pay for this tank of gas? I need it and I have to drive to work. Or as the farmer tries to figure out, how do I fill that farm gas tank and pay for that? Or a small family trucking company tries to figure out how do I make ends meet, or will I have to close the doors, perhaps, like one of the CEOs of the five airlines that have filed bankruptcy at this point because of fuel prices?

As all of this is happening, let me make a couple of points. One, we have more oil in our inventory and more fuel in our inventory right now than we did in January of this year. We are somewhere over 30 million to 40 million barrels of oil in inventory above where we were in January. So go figure. Inventory is up. Shouldn't prices come down a bit? You would think so. Not only is inventory up but demand is also down because our economy slowed down some, and because the price of gasoline and fuel is very high, people are driving a bit less. Some estimate that demand has dipped around 4 or 5 percent. So our inventories are up, demand is down, and what is happening to oil prices? They are continuing to go up.

Refiners are actually refining less at the moment, by their own design, because they believe there is an excess of inventory, so they want to catch up a bit, or allow the inventory to catch up with demand. So they are refining less than they previously refined. You would think, then, if supply is up, with millions more barrels of oil in inventory, the supply of gasoline having increased sufficiently so that refiners are cutting back refining capability, that the price of gasoline and oil would begin to come down. But it is not true. What is happening today is it is reaching record highs. So what does that tell

us? It tells us there is this unbelievable amount of speculation in which speculators have taken over the commodity markets and driven oil prices to levels that are doing great damage to this economy, great damage to this country, great damage to America's families, and great damage to businesses in this country. They don't care much about that. All they care about is going to the bank with a pile of money. All they care about is making all this money.

I am telling you, at the top, take a look at the compensation of the top hedge fund managers in this country. It is unbelievable. It almost makes you ill. They are all making a lot of money, and they are doing it by speculating in a market that is driving up prices beyond where the fundamentals of oil and gas supply and demand would justify. There is no justification for this at all.

American families have a right to ask the question of this Congress: What on Earth are you going to do about it? Does anybody care? Or are the consumers just pawns in this big game while the speculators run off with all the money?

It seems to me, when markets don't work we have a responsibility to do something about it. If you have a computer handy, you can find a search engine and find excesses of speculation. In fact, over the last decade and a half, we have seen two bubbles already, and now a third. We saw the tech bubble, and it burst. We saw the housing bubble, and it burst. Now we see a bubble on the commodities exchanges, and it will burst at some point. The question is when and what damage will be done between now and then.

These exchanges are supposed to be regulating certain kinds of activities. I have a little experience in this—not a lot, but a little. I chaired the hearings in the Senate on Enron. We did it in a Commerce subcommittee. I had Ken Lay come in front of me in my committee. He raised his hand and swore an oath to tell the truth, sat down, and took the fifth amendment. We had Jeffrey Skilling come. He is now in prison. He wouldn't stop talking, by the way. Through it all, the suggestion was, there is nothing going on here.

There was this unbelievable runup of wholesale electricity prices on the west coast during that period. We now know it was criminal activity, a criminal enterprise. We now know they were fixing things. They were shutting down plants. They were manipulating supply. They were speculating.

I am not suggesting speculation is necessarily, or even in most cases, criminal behavior. It is not. But the combination, going back to Enron, of not being able to see the dark money, the money that moves in the shadows behind the regulatory opportunities that some agencies have, means consumers can be manipulated and injured dramatically.

There is a lesson, it seems to me, as we take a look at what is happening in energy. I remember when President Bush came to town. He appointed a new Chairman of the Securities and Exchange Commission. I believe his name was Harvey Pitt. He said when he took office there is going to be a new attitude around here. This was the Securities and Exchange Commission, a regulatory body.

He said: There is going to be a new attitude around here, a business-friendly attitude. And sure enough, it sure was business friendly, and not just there but virtually every agency. We don't want to regulate. Yes, we are a regulatory body, but we don't want to regulate. Yes, regulators are supposed to be the referees, wear the striped shirts, call the fouls; we don't want to do that. We don't even like Government very much. We just come here and say it is business friendly, so do what you want.

Over the past 7 years we have seen an unbelievable amount of avarice and greed and speculation. Is it any wonder that we saw the bubble burst with respect to housing? Who wasn't minding the store? We know what happened then.

We had ads on television from these mortgage companies. Anybody who watched one of them would have known this doesn't work.

The ads said: Hey, you have been bankrupt, you can't pay your bills? Are you missing your house payments? Come over here. We will give you a new mortgage. You don't have to worry about all that. You have bad credit? Come to us. We will give you credit. In fact, we will give you a mortgage where you don't even have to pay all the interest. In fact, we will give you a mortgage loan where you don't have to pay any interest the first year; we will pay the interest for you, and the principal. We will say to you: You don't even have to document your income to us. You have to pay a slightly higher interest rate, but you get a mortgage with us, and you don't even have to document your income. It is called a no doc loan.

So, no documents, no interest payment for the first year and no principal payment for a long while. And by the way, when we set your interest rate, you pay an incredibly low interest rate.

I saw an advertisement that said pay one-fourth of 1 percent interest rate—not telling them, of course, it is going to reset at 10 percent in 3 years. They don't have a ghost of a chance of making those payments, and they are going to lose their house. We are sorry. They never tell them that.

Where were the regulators? Were they watching? No, they weren't watching. They didn't care.

So you have this buildup of speculation, mortgages, housing, and now the entire economy pays a price for that.

On top of that, we have this unbelievable buildup of speculation in the commodities market and oil, which is an essential commodity for every part of this economy, and the cost is going through the roof. Today it is setting a record.

Think of this economy and the national result. Does it matter that oil is different? Sure does. We suck 85 million barrels of oil out of this world every single day. We take 85 million barrels and suck it out of this planet. We need to use one-fourth of it in this country. We use 25 percent of all oil pulled out of this planet every day, and we only produce 10 percent. We use 25 percent of the world's oil, and we produce only 10 percent. That means we have to get a lot of it from elsewhere, and we do. Mr. President, 60 percent plus comes from offshore, much of it from troubled parts of the world.

We have a major issue with respect to oil. We have to deal with it. In the short term, though, we have to deal with this. John Maynard Keynes said in the long run, we are all dead. In the short run, we drive to the gas pumps and say: How can we possibly afford this? How can we pay this price? Then we understand this price isn't even justified. There is nothing in supply and demand that justifies this price. The supply is up, demand is down, and the price of oil is going through the roof. That is not about market system. Those are arteries clogged in the free market system, and this Congress has a responsibility to do something about it.

What do we do? There are a number of approaches a group of us are working on. It includes trying to find ways to make certain we know what is happening on all of these exchanges. The folks who run the exchanges in this country say: The problem is, if you increase the margin requirement, all this stuff is going to go to the Intercontinental Exchange, called ICE, over in London. You can't do that; it goes offshore and you never see it.

That is another part of the dark money strategy in this country where they all make money and injure this economy. We are looking for ways, and I believe we will find a way in a couple of days, to get our arms around this issue called regulatory need with respect to excess speculation on all markets. This is damaging this country's economy, and we cannot and should not stand for it. Speculators have had their day. They have made their money. They have injured this country. Now it is time for us to wring that speculation out of those commodity markets.

We need commodity exchanges. We need futures markets. We need them for liquidity. We need them for hedging. But when we have speculators grab these markets by the neck and pervert them, this Congress has a responsibility to act.

I conclude by saying the price of oil is setting new records today despite the fact that we in this country have an increased supply of oil since January, month after month after month, and demand is going down by the consumer because of price. So supply is up,

demand is down, and this perversion in the marketplace is producing the highest price for oil we have seen. That is an unbelievable perversion of what the free market ought to be.

We hear people say free market. There is no free market here. You have an OPEC cartel sitting behind closed doors. It would be illegal in this country. That does not contribute to a free market. That is a fixed market. And we have oil companies bigger and stronger. They almost all have two names now—ExxonMobile, ConocoPhillips—because they all merged and everybody thought that was fine, at least in this administration. So they are bigger and stronger and have more muscle in the marketplace. Then we have this perversion in the futures market.

That combination is a combination that I say damages this economy. We mean to address it. In the coming days, I intend to talk about legislation that will tie into this speculation, wring it out of the markets and say: You can't continue to damage the economy of this country; you can't continue to injure the consumers in this country because we are not going to stand for it.

Mr. AKAKA. Madam President, I am delighted to be an original cosponsor of the amendment offered by the distinguished senior Senator from Virginia which would clarify that the provisions in current law regarding the transferability of educational assistance benefits to family members would apply to the new GI bill for the 21st century.

This amendment would further give the Department of Defense the ability to conduct a 2-year test of somewhat expanded transferability options to individuals who have completed 4 years of active duty service, who agree to complete an additional 6r years of service, and who meet such additional criteria as the Secretary of Defense establishes.

I have consistently stated that I believe that transferability can be an important retention tool for the military and that the provisions of current law would apply to the provisions in S. 22 as revised. However, I have also noted that there is no data that demonstrate the retention value of the transferability option.

The Army implemented a pilot program in July 2006 which allows soldiers who reenlist in critical skills to transfer their Montgomery GI bill benefits to their spouses. Mr. President, I will ask unanimous consent that the Department of Defense annual report on entitlement transfers, dated March 20, 2008, be printed in the RECORD at the conclusion of my remarks so that Members can see that less than two percent of those who were offered the opportunity to transfer benefits took advantage of that option.

It is on this basis that I believe that this authority needs to be continued and expanded slightly in the context of this new GI bill for the 21st century. But to rely on transferability solely or in lieu of the legislation that has been carefully developed by Senator WEBB and others would be a mistake.

I urge the Senate to approve the amendment offered by Senator WARNER.

I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE
UNDER SECRETARY OF DEFENSE,
Washington, DC, March 20, 2008.

Hon. DANIEL K. AKAKA,
Chairman, Committee on Veterans Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter serves as the annual report on entitlement transfers of basic educational assistance to eligible dependents under the Montgomery GI Bill (MGIB) as required by Section 3020(1) of title 38, United States Code.

The Army implemented a pilot program in July 2006, allowing Soldiers, who reenlist in critical skills, the ability to transfer MGIB benefits to their spouse. The Army defined critical skills as any Soldier who qualified for a Selective Reenlistment Bonus (SRB) incentive and was entitled to a Zone B or Zone C bonus under current messages at the time of their reenlistment. This SRB is reduced by an amount equal to the actuarial per capita cost. These payments were then deposited into the DoD Education Benefit Fund for transfer to the Department of Veterans Affairs.

In Fiscal Year 2007, 296 Soldiers chose this option, or less than 2 percent of the over 17K Soldiers eligible upon reenlistment. Of the 296 Soldiers, the majority were mid-career Soldiers (SGT/SSG) assigned to U.S. Forces Command and U.S. Special Operations Command. Initial feedback from the field indicates that Soldiers want to be able to transfer benefits to all their dependents, including children. The Army extended the program to allow eligibility for both spouses and children in November 2007.

None of the other Services exercised their MGIB transferability authority and, instead, relied on traditional reenlistment/retention incentives. In spite of the fact that this program was not offered by those Services, each experienced a successful retention year in Fiscal Year 2007. However, all the Services are closely watching the results of the Army pilot and continue to retain the authority to include MGIB transferability in their retention programs should circumstances warrant.

The Department plans to include the expansion of MGIB transferability in its Fiscal Year 2009 legislative proposal. This expansion will support the President's State of the Union address, where he called for Congress to join him in "allowing our troops to transfer their unused education benefits to their spouses or children."

I trust that this report will prove useful in your consideration of Defense personnel programs. Similar letters have been sent to the Ranking Member of the Senate Committee on Veterans Affairs, the Chairman and Ranking Member of the House Committee on Armed Services, and the Chairmen and Ranking Members of the House Committee on Veterans Affairs.

Sincerely,

MICHAEL L. DOMINGUEZ,
Principal Deputy.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

MORNING BUSINESS

Mrs. MURRAY. Madam President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business and that Senators be allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized for 10 minutes.

ENERGY PRICES

Mr. SANDERS. Madam President, I concur with a lot of what my colleague from North Dakota said, and I applaud his leadership on this whole issue of outrageously high energy prices.

A few weeks ago, I sent an e-mail out to constituents in the State of Vermont, and essentially I said: Please write back to me and tell me what these outrageously high gas prices and oil prices mean to you. How are they impacting your lives?

From our very small State of 630,000 people, we received, as of this date, some 900 responses. Nine hundred families wrote to me to tell me the impact these extraordinarily high gas and oil prices are having in Vermont.

As you know, Vermont is doubly hit by these high prices because we are a rural State and people have to travel long distances to get to work, to get to the doctor, to get to the grocery store, and with the weather sometimes at 30 below zero, people spend a lot of money heating their homes. Madam President, $4-plus a gallon for home heating oil has a huge impact on their lives.

What I would like to do in the time I have is simply read some of the e-mails I have recently received from Vermont. Let me be very clear in saying that while the e-mails came from Vermont, these e-mails speak for millions of people throughout this country, perhaps especially in rural areas. It is just amazing that at a time when poverty is increasing and the middle class is collapsing these high gas and oil prices have just taken many people over the edge. We are hearing what their stories are about.

As I have said on many occasions, I think we in the Congress are far too separated and isolated from the reality of American life. We are surrounded by a ring of well-paid lobbyists representing large, powerful multinational corporations, and the voices of the people do not ring out as clearly as they should in the Senate. Today I want to allow some of those voices to be heard.

Let me start off with somebody from the southwestern part of the State of Vermont. This is what this person writes:

I retired to this community on a fixed income, and now the price of gas almost prohibits me from having any enjoyment. I have to factor in the price of gas for everything I do. Most of my medical appointments are at least 50 miles round-trip, and the cost of gas is absolutely prohibitive. I do not know how