

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3958

To provide disaster relief and incentives for economic recovery for Louisiana residents and businesses affected by Hurricane Katrina.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2005

Mr. MELANCON introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Appropriations, Agriculture, Transportation and Infrastructure, the Budget, Financial Services, Energy and Commerce, the Judiciary, Armed Services, Education and the Workforce, Resources, and Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide disaster relief and incentives for economic recovery for Louisiana residents and businesses affected by Hurricane Katrina.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Louisiana Katrina Re-  
5        construction Act”.

6        **SEC. 2. TABLE OF CONTENTS.**

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**1 SEC. 3. TREATMENT OF AMOUNTS APPROPRIATED UNDER**  
**2 THIS ACT.**

- 3 (a) EMERGENCY DESIGNATION.**—Each amount pro-  
**4 vided in this Act is designated as an emergency require-**



1 ment pursuant to section 402 of H. Con. Res. 95 (109th  
2 Congress).

3 (b) SUPPLEMENT, NOT SUPPLANT, OTHER FUNDS  
4 OR ASSISTANCE.—All amounts appropriated under this  
5 Act shall supplement, and not supplant, amounts appro-  
6 priated or made available for relief or assistance relating  
7 to Hurricane Katrina with respect to the State of Lou-  
8 isiana under any other provision of law.

9 (c) NO REDUCTION FOR COST REIMBURSEMENT.—  
10 Except as otherwise provided in this Act, none of the  
11 funds appropriated under this Act may be reduced as a  
12 result of cost reimbursement authorized under any section  
13 of the Robert T. Stafford Disaster Relief and Emergency  
14 Assistance Act (42 U.S.C. 5121 et seq.).

15 (d) NO REQUIREMENT FOR STATE MATCH OR CON-  
16 TRIBUTION.—With respect to any funds appropriated  
17 under this Act to a program that would otherwise require  
18 a State matching payment or contribution (in cash or in  
19 kind), the requirement of such payment or contribution  
20 shall be waived.

## 21 **TITLE I—EMERGENCY SUPPLE-** 22 **MENTAL APPROPRIATIONS**

23 The following sums are appropriated, out of any  
24 money in the Treasury not otherwise appropriated, for the  
25 fiscal year ending September 30, 2005, namely:

1           **Subtitle A—Department of**  
2                           **Defense—Military**

3                           MILITARY PERSONNEL

4           For an additional amount for “Military Personnel”,  
5 \$82,500,000 to fund the increase in the family separation  
6 allowance payable under section 427 of title 37, United  
7 States Code: *Provided*, That the Secretary of Defense may  
8 allocate amounts available to the accounts of the appro-  
9 priate branches of the Armed Forces, as determined by  
10 the Secretary.

11                           OPERATION AND MAINTENANCE

12                           OPERATION AND MAINTENANCE, ARMY

13           For an additional amount for “Operation and Main-  
14 tenance, Army”, \$15,000,000 for emergency Hurricane  
15 Katrina expenses in Louisiana, to remain available until  
16 September 30, 2006: *Provided*, That the amount provided  
17 herein is designated as an emergency requirement pursu-  
18 ant to section 402 of H. Con. Res. 95 (109th Congress).

19                           OPERATION AND MAINTENANCE, NAVY

20           For an additional amount for “Operation and Main-  
21 tenance, Navy”, \$400,000,000 for emergency Hurricane  
22 Katrina expenses in Louisiana, to remain available until  
23 September 30, 2006: *Provided*, That of the amount pro-  
24 vided under this heading, \$70,000,000 shall be available  
25 for SPAWAR Systems Center New Orleans, not to exceed

1 \$50,000,000 of which shall be available to repair and rees-  
2 tablish the capabilities, facilities, missions, functions, and  
3 equipment of the center, including support, maintenance,  
4 operation, and management support activities and enter-  
5 prise information technology integration of existing legacy  
6 and developing Navy Department of Defense manpower,  
7 personnel, and training functions, and \$20,000,000 of  
8 which shall be available for the evacuation, safe haven, and  
9 temporary relocation of Federal contractor personnel and  
10 related equipment and telecommuting expenses: *Provided*  
11 *further*, That the Secretary of the Navy and the Secretary  
12 of Defense shall co-locate the Naval Standard Integrated  
13 Personnel System and Defense Integrated Management  
14 Human Resources System program managers with the  
15 Defense Integrated Management Human Resources Sys-  
16 tem program office and development staff at the  
17 SPAWAR Systems Center New Orleans, and shall estab-  
18 lish the center as a central design activity for the develop-  
19 ment, production, and maintenance of all manpower, per-  
20 sonnel, training, and education programs of the Navy:  
21 *Provided further*, That the amount provided herein is des-  
22 ignated as an emergency requirement pursuant to section  
23 402 of H. Con. Res. 95 (109th Congress).

## 1 OPERATION AND MAINTENANCE, MARINE CORPS

2 For an additional amount for “Operation and Main-  
3 tenance, Marine Corps”, \$10,000,000 for emergency Hur-  
4 ricane Katrina expenses in Louisiana, to remain available  
5 until September 30, 2006: *Provided*, That the amount pro-  
6 vided herein is designated as an emergency requirement  
7 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
8 gress).

## 9 OPERATION AND MAINTENANCE, DEFENSE-WIDE

10 For an additional amount for “Operation and Main-  
11 tenance, Defense-Wide”, \$50,000,000 for emergency Hur-  
12 ricane Katrina expenses in Louisiana, to remain available  
13 until September 30, 2006: *Provided*, That the amount pro-  
14 vided herein is designated as an emergency requirement  
15 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
16 gress).

## 17 OPERATION AND MAINTENANCE, ARMY RESERVE

18 For an additional amount for “Operation and Main-  
19 tenance, Army Reserve”, \$2,500,000 for emergency Hur-  
20 ricane Katrina expenses in Louisiana, to remain available  
21 until September 30, 2006: *Provided*, That the amount pro-  
22 vided herein is designated as an emergency requirement  
23 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
24 gress).

## 1 OPERATION AND MAINTENANCE, NAVY RESERVE

2 For an additional amount for “Operation and Main-  
3 tenance, Navy Reserve”, \$75,000,000 for emergency Hur-  
4 ricane Katrina expenses in Louisiana, to remain available  
5 until September 30, 2006: *Provided*, That the amount pro-  
6 vided herein is designated as an emergency requirement  
7 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
8 gress).

## 9 OPERATION AND MAINTENANCE, AIR FORCE RESERVE

10 For an additional amount for “Operation and Main-  
11 tenance, Air Force Reserve”, \$10,000,000 for emergency  
12 Hurricane Katrina expenses in Louisiana, to remain avail-  
13 able until September 30, 2006: *Provided*, That the amount  
14 provided herein is designated as an emergency require-  
15 ment pursuant to section 402 of H. Con. Res. 95 (109th  
16 Congress).

17 OPERATION AND MAINTENANCE, ARMY NATIONAL  
18 GUARD

19 For an additional amount for “Operation and Main-  
20 tenance, Army National Guard”, \$100,000,000 for emer-  
21 gency Hurricane Katrina expenses in Louisiana, to remain  
22 available until September 30, 2006: *Provided*, That the  
23 amount provided herein is designated as an emergency re-  
24 quirement pursuant to section 402 of H. Con. Res. 95  
25 (109th Congress).

## 1 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

2 For an additional amount for “Operation and Main-  
3 tenance, Air National Guard”, \$100,000,000 for emer-  
4 gency Hurricane Katrina expenses in Louisiana, to remain  
5 available until September 30, 2006: *Provided*, That the  
6 amount provided herein is designated as an emergency re-  
7 quirement pursuant to section 402 of H. Con. Res. 95  
8 (109th Congress).

## 9 PROCUREMENT

## 10 OTHER PROCUREMENT, ARMY

11 For an additional amount for “Other Procurement,  
12 Army”, \$50,000,000 for emergency Hurricane Katrina ex-  
13 penses of Army units stationed in Louisiana and Lou-  
14 isiana Army National Guard units, to remain available  
15 until September 30, 2007: *Provided*, That the amount pro-  
16 vided herein is designated as an emergency requirement  
17 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
18 gress).

## 19 SHIPBUILDING AND CONVERSION, NAVY

20 For an additional amount for “Shipbuilding and Con-  
21 version, Navy”, \$5,000,000 for emergency Hurricane  
22 Katrina expenses in Louisiana, to remain available until  
23 September 30, 2007: *Provided*, That all of such funds  
24 shall be made available for Navy shipbuilding activities in  
25 Louisiana: *Provided further*, That the amount provided

1 herein is designated as an emergency requirement pursu-  
2 ant to section 402 of H. Con. Res. 95 (109th Congress).

3                   OTHER PROCUREMENT, AIR FORCE

4       For an additional amount for “Other Procurement,  
5 Air Force”, \$117,400,000 for emergency Hurricane  
6 Katrina expenses of Air Force units stationed in Lou-  
7 isiana and Louisiana Air National Guard units, to remain  
8 available until September 30, 2007: *Provided*, That of the  
9 amount provided under this heading, \$17,400,000 shall be  
10 available for the Louisiana Air National Guard for the  
11 procurement of Mobile Air Approach Control Systems for  
12 Air National Guard units: *Provided further*, That the  
13 amount provided herein is designated as an emergency re-  
14 quirement pursuant to section 402 of H. Con. Res. 95  
15 (109th Congress).

16                   PROCUREMENT, DEFENSE-WIDE

17       For an additional amount for “Procurement, De-  
18 fense-Wide”, \$250,000,000 for emergency Hurricane  
19 Katrina expenses in Louisiana, to remain available until  
20 September 30, 2007: *Provided*, That the amount provided  
21 herein is designated as an emergency requirement pursu-  
22 ant to section 402 of H. Con. Res. 95 (109th Congress).

23                   NATIONAL GUARD AND RESERVE EQUIPMENT

24       For an additional amount for “National Guard and  
25 Reserve Equipment”, \$125,000,000 for emergency Hurri-

1 cane Katrina expenses of the Louisiana National Guard  
2 and Reserve, to remain available until September 30,  
3 2007: *Provided*, That the amount provided herein is des-  
4 ignated as an emergency requirement pursuant to section  
5 402 of H. Con. Res. 95 (109th Congress).

6 REVOLVING AND MANAGEMENT FUNDS

7 DEFENSE WORKING CAPITAL FUNDS

8 For an additional amount for “Defense Working  
9 Capital Funds”, \$4,000,000 for emergency Hurricane  
10 Katrina expenses in Louisiana, to remain available until  
11 expended: *Provided*, That the amount provided herein is  
12 designated as an emergency requirement pursuant to sec-  
13 tion 402 of H. Con. Res. 95 (109th Congress).

14 OTHER DEPARTMENT OF DEFENSE PROGRAMS

15 DEFENSE HEALTH PROGRAM

16 For an additional amount for “Defense Health Pro-  
17 gram”, \$5,000,000 for emergency Hurricane Katrina ex-  
18 penses in Louisiana, to remain available until expended:  
19 *Provided*, That the amount provided herein is designated  
20 as an emergency requirement pursuant to section 402 of  
21 H. Con. Res. 95 (109th Congress).

22 GENERAL PROVISIONS

23 SEC. 101. AVAILABILITY OF CERTAIN FUNDS.—The  
24 amounts appropriated by this subtitle under the heading  
25 “OPERATION AND MAINTENANCE” shall be avail-



1 able for the construction of temporary or permanent pub-  
2 lic works, installations, and military, unaccompanied, or  
3 other family housing (and related facilities), including land  
4 acquisition related thereto, needed for response to or re-  
5 covery from the effects of Hurricane Katrina, including  
6 the housing of servicemembers, their families, and other  
7 individuals displaced by Hurricane Katrina.

8       SEC. 102. APPLICABILITY OF CERTAIN PROVI-  
9 SIONS.—Members of the National Guard who have been  
10 activated in support of Hurricane Katrina relief and re-  
11 construction efforts shall, for the duration of their service  
12 in support of such efforts, be treated as individuals eligible  
13 for benefits under the following provisions of this Act:

14           (1) Subtitle B of title IV, related to education  
15       assistance.

16           (2) Subtitle C of title IV, related to small busi-  
17       ness recovery.

18           (3) Title VIII, related to tax relief.

19       SEC. 103 CREDIT TOWARD NATIONAL GUARD AND  
20 RESERVE MOBILIZATION REQUIREMENT.—Members of  
21 the National Guard and Reserves who are activated in  
22 support of Hurricane Katrina relief and reconstruction ef-  
23 forts shall receive credit for the duration of their service  
24 in support of such efforts for the purposes of the mobiliza-  
25 tion requirement under the 6-year deployment cycle policy

1 of the Army National Guard, the Air National Guard, and  
2 the Army Reserve.

3       SEC. 104. TEMPORARY INCREASE IN FAMILY SEPA-  
4 RATION ALLOWANCE FOR MEMBERS OF THE UNIFORMED  
5 SERVICES.—

6       (a) TEMPORARY INCREASE.—

7           (1) INCREASE.—Section 427(a) of title 37,  
8 United States Code, is amended by striking “\$100”  
9 and inserting “\$350”.

10          (2) EFFECTIVE DATE.—The amendment made  
11 by paragraph (1) shall take effect on August 29,  
12 2005, and shall apply with respect to months begin-  
13 ning on or after August 1, 2005.

14          (3) TERMINATION.—Effective September 30,  
15 2007, section 427(a) of title 37, United States Code,  
16 is amended by striking “\$350” and inserting  
17 “\$250”.

18       (b) CONFORMING AMENDMENTS.—Effective as of the  
19 date of the enactment of this Act, the following provisions  
20 of law are repealed:

21           (1) Subsection (e) of section 427 of title 37,  
22 United States Code.

23           (2) Paragraph (2) of section 623(b) of the Ron-  
24 ald W. Reagan National Defense Authorization Act

1 for Fiscal Year 2005 (Public Law 108–375; 118  
2 Stat. 1955).

3 SEC. 105. CONGRESSIONAL OVERSIGHT.—The Sec-  
4 retary of Defense shall, not later than 90 days after the  
5 date of the enactment of this Act and every 90 days there-  
6 after, submit to the Committees on Appropriations of the  
7 Senate and the House of Representatives reports detailing  
8 the allocation and obligation of all funds provided under  
9 this subtitle.

## 10 **Subtitle B—Military Construction**

### 11 MILITARY CONSTRUCTION, ARMY

12 For an additional amount for “Military Construction,  
13 Army”, \$20,000,000 for emergency Hurricane Katrina ex-  
14 penses in Louisiana, to remain available until September  
15 30, 2010: *Provided*, That the amount provided herein is  
16 designated as an emergency requirement pursuant to sec-  
17 tion 402 of H. Con. Res. 95 (109th Congress).

### 18 MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

19 For an additional amount for “Military Construction,  
20 Navy and Marine Corps”, \$5,000,000 for emergency Hur-  
21 ricane Katrina expenses in Louisiana, to remain available  
22 until September 30, 2010: *Provided*, That the amount pro-  
23 vided herein is designated as an emergency requirement  
24 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
25 gress).

## 1           MILITARY CONSTRUCTION, AIR FORCE

2           For an additional amount for “Military Construction,  
3 Air Force”, \$3,000,000 for emergency Hurricane Katrina  
4 expenses in Louisiana, including the repair and recon-  
5 struction of damaged Air Force Reserve facilities, to re-  
6 main available until September 30, 2010: *Provided*, That  
7 the amount provided herein is designated as an emergency  
8 requirement pursuant to section 402 of H. Con. Res. 95  
9 (109th Congress).

## 10           MILITARY CONSTRUCTION, DEFENSE-WIDE

11           For an additional amount for “Military Construction,  
12 Defense-wide”, \$160,000,000 for emergency Hurricane  
13 Katrina expenses in Louisiana, to remain available until  
14 September 30, 2010: *Provided*, That the funding shall be  
15 made available to the City of New Orleans to implement  
16 the 2005 recommendations of the Defense Base Closure  
17 and Realignment Commission related to the Federal city  
18 development in Algiers, Louisiana: *Provided further*, That  
19 the amount provided herein is designated as an emergency  
20 requirement pursuant to section 402 of H. Con. Res. 95  
21 (109th Congress).

## 22           MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

23           For an additional amount for “Military Construction,  
24 Army National Guard”, \$125,000,000 for emergency  
25 Hurricane Katrina expenses in Louisiana, to remain avail-

1 able until September 30, 2010: *Provided*, That the amount  
2 provided herein is designated as an emergency require-  
3 ment pursuant to section 402 of H. Con. Res. 95 (109th  
4 Congress).

5 MILITARY CONSTRUCTION, NAVAL RESERVE

6 For an additional amount for “Military Construction,  
7 Naval Reserve”, \$250,000,000 for emergency Hurricane  
8 Katrina expenses in Louisiana, to remain available until  
9 September 30, 2010: *Provided*, That the amount provided  
10 herein is designated as an emergency requirement pursu-  
11 ant to section 402 of H. Con. Res. 95 (109th Congress).

12 MILITARY CONSTRUCTION, AIR NATIONAL GUARD

13 For an additional amount for “Military Construction,  
14 Air National Guard”, \$125,000,000 for emergency Hurri-  
15 cane Katrina expenses in Louisiana, to remain available  
16 until September 30, 2010: *Provided*, That the amount pro-  
17 vided herein is designated as an emergency requirement  
18 pursuant to section 402 of H. Con. Res. 95 (109th Con-  
19 gress).

20 FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE

21 CORPS

22 For an additional amount for “Family Housing Con-  
23 struction, Navy and Marine Corps”, \$20,000,000 to repair  
24 damage to Navy, Naval Reserve, Marine Corps, and Ma-  
25 rine Corps Reserve housing and related facilities in Lou-

1 isiana sustained as a result of Hurricane Katrina, to re-  
2 main available until September 30, 2010: *Provided*, That  
3 the amount provided herein is designated as an emergency  
4 requirement pursuant to section 402 of H. Con. Res. 95  
5 (109th Congress).

6 FAMILY HOUSING CONSTRUCTION, AIR FORCE

7 For an additional amount for “Family Housing Con-  
8 struction, Air Force”, \$20,000,000 to repair damage to  
9 Air Force, Air National Guard, and Air Reserve housing  
10 and related facilities in Louisiana sustained as a result  
11 of Hurricane Katrina, to remain available until September  
12 30, 2010: *Provided*, That the amount provided herein is  
13 designated as an emergency requirement pursuant to sec-  
14 tion 402 of H. Con. Res. 95 (109th Congress).

15 FAMILY HOUSING CONSTRUCTION, DEFENSE-WIDE

16 For an additional amount for “Family Housing Con-  
17 struction, Defense-wide”, \$20,000,000 for emergency  
18 Hurricane Katrina expenses in Louisiana, to remain avail-  
19 able until expended: *Provided*, That the amount provided  
20 herein is designated as an emergency requirement pursu-  
21 ant to section 402 of H. Con. Res. 95 (109th Congress).

## 1                                   GENERAL PROVISIONS

2       LAND CONVEYANCE, NAVAL SUPPORT ACTIVITY (EAST  
3                                   BANK), NEW ORLEANS.

4           SEC. 101. (a) CONVEYANCE AUTHORIZED.—The Sec-  
5   retary of the Navy shall convey to the City of New Orle-  
6   ans, Louisiana, or the Port of New Orleans, Louisiana (in  
7   this section referred to as the “City” and “Port Author-  
8   ity”, respectively), all right, title, and interest of the  
9   United States in and to a parcel of real property, including  
10  any improvements and facilities thereon, consisting of all  
11  acreage at the Naval Support Activity (east bank of the  
12  Mississippi River), New Orleans, Louisiana, for the pur-  
13  pose of facilitating the development and expansion of the  
14  City or Port Authority.

15           (b) DESCRIPTION OF REAL PROPERTY.—The exact  
16  acreage and legal description of the real property to be  
17  conveyed under subsection (a) shall be determined by a  
18  survey satisfactory to the Secretary. The Secretary shall  
19  be responsible for the cost of the survey.

20           (c) ADDITIONAL TERMS AND CONDITIONS.—The  
21  Secretary may require such additional terms and condi-  
22  tions in connection with the conveyance under subsection  
23  (a) as the Secretary considers appropriate to protect the  
24  interests of the United States.

1       SEC. 102. CONGRESSIONAL OVERSIGHT.—The Sec-  
2 retary of Defense shall, not later than 90 days after the  
3 date of the enactment of this Act and every 90 days there-  
4 after, submit to the Committees on Appropriations of the  
5 Senate and the House of Representatives reports detailing  
6 the allocation and obligation of all military construction  
7 and family housing funds provided under this subtitle.

8                   **Subtitle C—Department of**  
9                   **Veterans Affairs**

10                   VETERANS HEALTH ADMINISTRATION

11                   MEDICAL SERVICES

12       For an additional amount for “Medical Services”,  
13 \$1,000,000,000 for increased medical services due to Hur-  
14 ricane Katrina, to remain available until expended: *Pro-*  
15 *vided*, That the Secretary of Veterans Affairs may transfer  
16 the funds herein to subaccounts in the Veterans Health  
17 Administration and Departmental Administration ac-  
18 counts for costs incurred for evacuation, emergency re-  
19 pairs, reconstructional repair efforts, medical services, ad-  
20 ministrative services, and general operating costs: *Pro-*  
21 *vided further*, That upon a determination that all or part  
22 of the funds so transferred from this appropriation are  
23 not necessary for the purposes provided herein, such  
24 amounts may be transferred back to this appropriation:  
25 *Provided further*, That the Secretary of Veterans Affairs



1 shall submit a report no later than 30 days after the end  
2 of each fiscal quarter to the Congressional Veterans Com-  
3 mittees summarizing the details of the transfer of funds.

4 DEPARTMENTAL ADMINISTRATION

5 CONSTRUCTION, MAJOR PROJECTS

6 For an additional amount for major construction  
7 projects, \$500,000,000 for the reconstruction/repair of the  
8 New Orleans Regional VA Hospital.\*\*

9 GENERAL PROVISIONS

10 SEC. 106. Health Care and Services for Veterans Af-  
11 fected by Hurricane Katrina.

12 (a) DEFINITIONS.—In this section:

13 (1) The term “close proximity”, means not  
14 more than 30 miles from the residence of the vet-  
15 eran.

16 (2) The term “priority 8 veteran affected by  
17 Hurricane Katrina” means any veteran affected by  
18 Hurricane Katrina who, as of August 29, 2005,  
19 would have been treated as a veteran covered by  
20 paragraph (8) of section 1705(a) of title 38, United  
21 States Code, for purposes of enrollment in the sys-  
22 tem of annual patient enrollment of the Department  
23 of Veterans Affairs under such section.

24 (3) The term “specialized medical care” means  
25 any medical care for a veteran that is not offered at

1 a Department of Veterans Affairs facility in close  
2 proximity.

3 (4) The term “veteran affected by Hurricane  
4 Katrina” means any veteran who, as of August 29,  
5 2005, resided in the catchment region of the Depart-  
6 ment of Veterans Affairs medical center in New Or-  
7 leans, Louisiana.

8 (b) REQUIREMENT FOR HOSPITAL CARE AND MED-  
9 ICAL SERVICES FOR PRIORITY 8 VETERANS AFFECTED BY  
10 HURRICANE KATRINA.—

11 (1) REQUIREMENT.—The Secretary of Veterans  
12 Affairs shall furnish hospital care and medical serv-  
13 ices which the Secretary determines to be needed to  
14 each priority 8 veteran affected by Hurricane  
15 Katrina as if such veteran were a veteran described  
16 by section 1710(a)(2) of title 38, United States  
17 Code.

18 (2) ENHANCED ENROLLMENT PRIORITY.—For  
19 purposes of furnishing hospital care and medical  
20 services under paragraph (1), the Secretary shall  
21 deem each priority 8 veteran affected by Hurricane  
22 Katrina, upon the date of presentation of such vet-  
23 eran to the Department of Veterans Affairs for such  
24 care and services, to have enrolled in the system of  
25 annual patient enrollment of the Department under

1 section 1705(a) of title 38, United States Code, on  
2 the first day of the current year of such system in  
3 which such date falls.

4 (c) PROHIBITION ON COLLECTION OF COPAYMENTS  
5 FOR VETERANS AFFECTED BY HURRICANE KATRINA.—

6 In furnishing hospital care and medical services to any  
7 veteran affected by Hurricane Katrina, the Secretary shall  
8 not collect from or with respect to such veteran any pay-  
9 ment for such care and services otherwise required under  
10 any provision of law, including any copayment for medica-  
11 tions otherwise required under section 1722A of title 38,  
12 United States Code.

13 (d) SPECIALIZED MEDICAL CARE.—Notwithstanding  
14 any other law, any veteran affected by Hurricane Katrina  
15 may receive specialized medical care from a Department  
16 of Veterans Affairs medical facility that is not in close  
17 proximity to the residence of the veteran.

18 (e) SUNSET PROVISIONS.—

19 (1) ENHANCED ENROLLMENT AND COPAYMENT  
20 WAIVER.—Subsections (b) and (c) shall be effective  
21 during the 6-month period beginning on the date of  
22 enactment of this Act.

23 (2) SPECIALIZED MEDICAL CARE.—Subsection  
24 (d) shall be effective during the 1-year period begin-  
25 ning on the date of enactment of this Act.

1           **Subtitle D—Department of**  
2                           **Commerce**

3                   NATIONAL OCEANIC AND ATMOSPHERIC

4                           ADMINISTRATION

5                                   FISHERIES DISASTER ASSISTANCE

6           In addition to amounts appropriated or otherwise  
7 made available for such purpose, \$150,000,000, to remain  
8 available until expended, for a direct, lump-sum grant to  
9 the Louisiana Department of Wildlife and Fisheries for  
10 direct grants to Louisiana harvesters and vessel owners  
11 to provide replacement of the dockside values for all fish-  
12 ery resources in fisheries impacted by Hurricane Katrina:  
13 *Provided*, That the Secretary of Commerce shall make  
14 such amount available to the Louisiana Department of  
15 Wildlife and Fisheries not more than 30 days after the  
16 date of enactment of this Act and may not expend more  
17 than 2 percent of such amount for administration, tech-  
18 nical assistance, and operation related to such grant.

19                                   MENHADEN FISHERIES RECOVERY

20           In addition to amounts appropriated or otherwise  
21 made available for such purpose, \$14,000,000, to remain  
22 available until expended, for a direct, lump-sum grant to  
23 the Louisiana Department of Wildlife and Fisheries for  
24 direct grants to Louisiana harvesters and vessel owners

1 to provide replacement for the dockside values for the  
2 menhaden fisheries impacted by Hurricane Katrina.

3 LOUISIANA OYSTER RECOVERY

4 In addition to amounts appropriated or otherwise  
5 made available for such purpose, \$90,000,000, to remain  
6 available until expended, for a direct, lump-sum grant to  
7 the Louisiana Oyster Task Force for the complete reha-  
8 bilitation of public and private oyster reefs under the juris-  
9 diction of Louisiana that were impacted by Hurricane  
10 Katrina: *Provided*, That of such amount, \$250,000 shall  
11 be made available for oyster hatcheries in Louisiana: *Pro-*  
12 *vided further*, That of such amount \$8,000,000 shall be  
13 made available for oyster lease resurveying and oyster  
14 lease boundaries and for oyster lease equipment and facili-  
15 ties.

16 FISHERIES INFRASTRUCTURE RECOVERY

17 In addition to amounts appropriated or otherwise  
18 made available for such purpose, \$150,000,000, to remain  
19 available until expended, to for the establishment of stra-  
20 tegically located emergency fisheries infrastructure facili-  
21 ties to provide the dockside infrastructure required for the  
22 delivery of fish products to market in all fisheries impacted  
23 by Hurricane Katrina.

24 LOUISIANA MARINE RESEARCH RECOVERY

25 In addition to amounts appropriated or otherwise  
26 made available for such purpose, \$14,000,000, to remain



## 1 SEVERE WEATHER FORECASTING AND WARNING

2 In addition to amount appropriated or otherwise  
3 made available for such purpose, \$4,000,000, to remain  
4 available until expended, for the National Weather Service  
5 to ensure continued weather forecasting services in areas  
6 that could be impacted by hurricanes and other severe  
7 coastal weather events, including floods: *Provided*, That  
8 such funds should be made available to the South Regional  
9 Weather Center for hurricane forecasting and data deliv-  
10 ery during an emergency.

## 11 LOUISIANA STATE UNIVERSITY HURRICANE CENTER

12 In addition to amount appropriated or otherwise  
13 made available for such purpose, \$5,000,000, to remain  
14 available until expended, to implement an emergency re-  
15 sponse decision support system and expert guidance that  
16 is capable of rapid deployment to support emergency re-  
17 sponse and recovery activities, including scalable hurricane  
18 response capabilities, in-place resources and readiness, in-  
19 tegrated modeling and information delivery systems, pre-  
20 defined inventories of domain experts and resources, and  
21 an infrastructure that may be adopted in all regions of the  
22 Eastern United States that are impacted by hurricanes and  
23 the Caribbean region. Such system shall be integrated  
24 with Federal and State response planning and shall be de-  
25 veloped in cooperation with universities in Louisiana.





1           (a) EMERGENCY MANAGEMENT PERFORMANCE  
2 GRANTS.—

3           (1) IN GENERAL.—In addition to amounts  
4 available as of the date of enactment of this Act for  
5 the emergency management performance grant pro-  
6 gram of the Department of Homeland Security, not-  
7 withstanding any other provision of law, not later  
8 than 30 days after the date of enactment of this  
9 Act, out of any funds in the Treasury not otherwise  
10 appropriated, the Secretary of the Treasury shall  
11 transfer to the Secretary of Homeland Security, to  
12 provide increased amounts to States under that pro-  
13 gram for use in responding to a major disaster relat-  
14 ing to Hurricane Katrina declared by the President  
15 on August 29, 2005, in accordance with section 401  
16 of the Robert T. Stafford Disaster Relief and Emer-  
17 gency Assistance Act (42 U.S.C. 5170),  
18 \$91,200,000, to remain available until expended:  
19 *Provided*, That such amounts are used for construc-  
20 tion of an Emergency Operations Center to provide  
21 immediate command centers and communication  
22 after a disaster or emergency event in each of the  
23 following parishes, each of which shall receive  
24 \$4,800,000 from such amounts: Jefferson, St. Tam-  
25 many, Washington, Tangipahoa, Livingston, St.

1 Bernard, Plaquemine, Lafourche, Terrebonne, St.  
2 Mary, St. Martin, Lafayette, Calcasieu, Cameron,  
3 Vermillion. St. Charles, St. John, Iberia, and Ascen-  
4 sion.

5 (2) RECEIPT AND ACCEPTANCE.—The Sec-  
6 retary of Homeland Security shall be entitled to re-  
7 ceive, shall accept, and shall use to carry out this  
8 subsection the funds transferred under paragraph  
9 (1), without further appropriation.

10 (b) URBAN SEARCH AND RESCUE AND NATURAL  
11 DISASTER MEDICAL SYSTEMS.—

12 (1) IN GENERAL.—In addition to amounts  
13 available as of the date of enactment of this Act for  
14 urban search and rescue systems, and natural dis-  
15 aster medical systems, of the Federal Emergency  
16 Management Agency, notwithstanding any other  
17 provision of law, not later than 30 days after the  
18 date of enactment of this Act, out of any funds in  
19 the Treasury not otherwise appropriated, the Sec-  
20 retary of the Treasury shall transfer to the Sec-  
21 retary of Homeland Security, to provide increased  
22 amounts for those teams for use in responding to a  
23 major disaster relating to Hurricane Katrina de-  
24 clared by the President on August 29, 2005, in ac-  
25 cordance with section 401 of the Robert T. Stafford

1 Disaster Relief and Emergency Assistance Act (42  
2 U.S.C. 5170), \$2,500,000, to remain available until  
3 expended. *Provided*, That up to \$1,000,000,000 may  
4 be transferred to and merged with “Emergency Pre-  
5 paredness and Response, Public Health Programs”  
6 for the National Disaster Medical System to support  
7 medical care as authorized by section 2811 of the  
8 Public Health Service Act (42 U.S.C. 300hh–11):  
9 *Provided further*, That \$15,000,000 shall be trans-  
10 ferred to and merged with “Departmental Manage-  
11 ment and Operations, Office of Inspector General”  
12 for necessary expenses of the Office of Inspector  
13 General for audits and investigations as authorized  
14 by law for Hurricane Katrina response and recovery  
15 activities: *Provided further*, That the amounts pro-  
16 vided herein are designated as an emergency re-  
17 quirement pursuant to section 402 of H. Con. Res.  
18 95 (109th Congress).

19 (2) RECEIPT AND ACCEPTANCE.—The Sec-  
20 retary of Homeland Security shall be entitled to re-  
21 ceive, shall accept, and shall use to carry out this  
22 subsection the funds transferred under paragraph  
23 (1), without further appropriation.

1       SEC. 113. ASSISTANCE TO FIREFIGHTERS.—  
2 \$250,000,000 for assistance to firefighters for hurricane  
3 related expenses, available until expended.

4       SEC. 114. (a) COMMUNITY DISASTER LOANS.—Not-  
5 withstanding any other provision of law, no limitation on  
6 the amount or percentage of assistance that may be pro-  
7 vided in the form of a community disaster loan under sec-  
8 tion 417(b) of the Robert T. Stafford Disaster Relief and  
9 Emergency Assistance Act (42 U.S.C. 5184(b)) shall  
10 apply to any community disaster loan made under section  
11 417 of that Act to assist any local government in which  
12 a major disaster relating to Hurricane Katrina was de-  
13 clared to exist by the President on August 29, 2005, in  
14 accordance with section 401 of that Act (42 U.S.C. 5170).

15       (b) ALLOCATION.—Of funds appropriated for com-  
16 munity disaster loans in fiscal year 2006 under section  
17 417(b) of the Robert T. Stafford Disaster Relief and  
18 Emergency Assistance Act (42 U.S.C. 5184(b)), not less  
19 than—

20               (1) \$450,000,000 shall be used for loans to  
21 local governments located in Orleans Parish, Lou-  
22 isiana;

23               (2) \$250,000,000 shall be used for loans to  
24 local governments located in Jefferson Parish, Lou-  
25 isiana;



1 \$100,000,000 shall be made available for psychological  
2 trauma response early intervention, prevention, and dis-  
3 order treatment by culturally competent counselors and  
4 mental health professionals for children who are 0 to 5  
5 years of age: *Provided further*, That from such amount,  
6 \$100,000,000 shall be made available to provide funds in  
7 consultation with the Louisiana Department of Education  
8 for the assessment, response, and treatment of the mental  
9 health needs of school age children with services to be pro-  
10 vided by culturally competent counselors and mental  
11 health professionals: *Provided further*, That from such  
12 amount, \$100,000,000 shall be made available to increase  
13 funding for psychological trauma response early interven-  
14 tion, prevention, and disorder treatment and suicide pre-  
15 vention by culturally competent counselors and mental  
16 health professionals: *Provided further*, That from such  
17 amount, \$100,000,000 shall be made available to be kept  
18 separate and apart from mental health funds allocated to  
19 the Louisiana State agency for substance abuse for sub-  
20 stance abuse assessment, early intervention, prevention,  
21 and treatment.

22       CENTERS FOR DISEASE CONTROL AND PREVENTION  
23               DISEASE CONTROL, RESEARCH, AND TRAINING

24       For an additional amount for the Centers for Disease  
25 Control and Prevention, \$300,000,000, to remain avail-

1 able until September 30, 2006: *Provided*, That from such  
2 amount, \$50,000,000 shall be made available to the Envi-  
3 ronmental Health Lab/Bio Monitoring Fund for evacuees,  
4 rescue workers, and others: *Provided further*, That from  
5 such amount, \$50,000,000 shall be made available to the  
6 Environmental Health Tracking Network for ongoing pub-  
7 lic health tracking and registries as a result of Hurricane  
8 Katrina: *Provided further*, That from such amount,  
9 \$100,000,000 shall be made available for Public Health  
10 Improvement to rebuild the Louisiana public health infra-  
11 structure affected by Hurricane Katrina: *Provided further*,  
12 That \$100,000,000 shall be made available to carry out  
13 mosquito abatement activities under section 317S of the  
14 Public Health Service Act for States affected by Hurri-  
15 cane Katrina.

16 ADMINISTRATION FOR CHILDREN AND FAMILIES

17 LOW INCOME HOME ENERGY ASSISTANCE

18 For an additional amount for making payments  
19 under title XXVI of the Omnibus Budget Reconciliation  
20 Act of 1981 (42 U.S.C. 8621 et seq.), \$36,000,000, which  
21 shall be made available for payments to Louisiana, and  
22 which shall be made available for obligation in fiscal year  
23 2005 and remain available until expended.

24 SOCIAL SERVICES BLOCK GRANT

25 For an additional amount for making grants to the  
26 State of Louisiana pursuant to section 2002 of the Social

1 Security Act, \$13,000,000, which shall be made available  
2 for obligation in fiscal year 2006.

3 CHILDREN AND FAMILIES SERVICES PROGRAMS

4 For an additional amount for making payments to  
5 the State of Louisiana for carrying out the provisions of  
6 subpart 1 of part B of title IV of the Social Security Act,  
7 \$11,000,000. Such payments shall be used for the purpose  
8 of providing family reunification and family support serv-  
9 ices for children who reside or resided in the State of Lou-  
10 isiana in an area in which a major disaster relating to  
11 Hurricane Katrina was declared by the President under  
12 section 401 of the Robert T. Stafford Disaster Relief and  
13 Emergency Assistance Act (42 U.S.C. 5170), including  
14 such children who are receiving foster care maintenance  
15 payments under section 472 of the Social Security Act (42  
16 U.S.C. 672), adoption assistance payments under section  
17 473 of such Act (42 U.S.C. 673), or are determined by  
18 the State to be otherwise in need of child welfare services.

19 For an additional amount for making payments to  
20 the State of Louisiana to carry out the John H. Chafee  
21 Foster Care Independence Program pursuant to section  
22 477 of the Social Security Act, \$1,358,000, which shall  
23 be made available for obligation in fiscal year 2006:

24 PROMOTING SAFE AND STABLE FAMILIES

25 For an additional amount for making payments to  
26 the State of Louisiana for carrying out the provisions of



1 subpart 2 of part B of title IV of the Social Security Act,  
2 \$26,000,000.

3 OFFICE OF THE SECRETARY  
4 PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY  
5 FUND

6 For emergency and other services, \$1,000,000,000 to  
7 be made available by the Secretary of Health and Human  
8 Services to provide funds to the Louisiana Department of  
9 Health and Hospitals, to remain available until December  
10 31, 2006: *Provided*, That such funds shall not have any  
11 affect on any funding available from the Federal Emer-  
12 gency Management Agency to Louisiana: *Provided further*,  
13 That from such amount, \$500,000,000 shall be made  
14 available to be used, in consultation with the Department  
15 of Health and Human Services, for emergency grants and  
16 reimbursements awarded by the Louisiana Department of  
17 Health and Hospitals for health care suppliers and pro-  
18 viders that incurred healthcare-related expenses or lost  
19 revenues as a result of their response to the public health  
20 emergency resulting from Hurricane Katrina, including  
21 funding for additional medical personnel, hospital equip-  
22 ment, community health centers, social services, disabled  
23 or elderly care, and emergency rooms: *Provided further*,  
24 That from such amount, \$500,000,000 shall be made  
25 available to be used, in consultation with the Department

1 of Health and Human Services, for grants for the funding  
 2 of activities for immediate emergency needs, including re-  
 3 building, repairing, and restoration of healthcare infra-  
 4 structures, including offices, clinics, community health  
 5 centers, and hospitals, with a priority given to requests  
 6 involving those hospitals that maintained operations  
 7 through Hurricane Katrina and are still in operation as  
 8 of the date of enactment of this Act and with special con-  
 9 sideration given to requests relating to the immediate  
 10 emergency needs of hospitals, physicians' offices, commu-  
 11 nity health centers, and clinics, in that order.

12 CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT

13 For an additional amount for making payments to  
 14 the State of Louisiana to carry out activities authorized  
 15 under the Child Care and Development Block Grant Act  
 16 of 1990 (42 U.S.C. 9858 et seq.) for individuals impacted  
 17 by Hurricane Katrina, \$100,000,000, to remain available  
 18 until expended.

19 **Subtitle G—Department of Housing**  
 20 **and Urban Development**

21 PUBLIC AND INDIAN HOUSING

22 TENANT-BASED RENTAL ASSISTANCE

23 For an additional amount for “Tenant-Based Rental  
 24 Assistance” for annual contributions contracts for tenant-  
 25 based assistance under section 8 of the United States  
 26 Housing Act of 1937 (42 U.S.C. 1437f) for use only for

1 assistance for families displaced as a result of Hurricane  
2 Katrina, \$3,500,000,000, to remain available until ex-  
3 pended: *Provided*, That notwithstanding any other provi-  
4 sion of law, the entire amount provided herein shall be  
5 available immediately and shall not be subject to appor-  
6 tionment for the purpose of chapter 15 of title 31, United  
7 States Code: *Provided further*, That the amount provided  
8 herein is designated as an emergency requirement pursu-  
9 ant to section 402 of H. Con. Res. 95 (109th Congress).

## 10 COMMUNITY PLANNING AND DEVELOPMENT

### 11 COMMUNITY DEVELOPMENT FUND

12 For an additional amount for “Community Develop-  
13 ment Fund” for activities authorized under title I of the  
14 Housing and Community Development Act of 1974, for  
15 use only for disaster relief, long-term recovery, and mitiga-  
16 tion in communities affected by Hurricane Katrina, except  
17 those activities reimbursable by the Federal Emergency  
18 Management Agency or available through the Small Busi-  
19 ness Administration, and for reimbursement for expendi-  
20 tures incurred from the regular Community Development  
21 Block Grant formula allocation used to achieve these same  
22 purposes, \$50,000,000,000, to remain available until ex-  
23 pended: *Provided*, That of the amount provided under this  
24 heading, the Secretary of Housing and Urban Develop-  
25 ment may use up to \$5,000,000,000 under the HOME

1 Investment Partnerships Program for assistance under  
2 title II of the Cranston-Gonzalez National Affordable  
3 Housing Act in areas affected by Hurricane Katrina: *Pro-*  
4 *vided further*, That of the amount provided under this  
5 heading, the Secretary of Housing and Urban Develop-  
6 ment may use up to \$5,000,000,000 under the HOPE VI  
7 program in areas affected by Hurricane Katrina: *Provided*  
8 *further*, That the amount provided herein is designated as  
9 an emergency requirement pursuant to section 402 of H.  
10 Con. Res. 95 (109th Congress): *Provided further*, for ex-  
11 penses to assist businesses in Louisiana during recovery  
12 from and reconstruction of facilities damaged by Hurri-  
13 cane Katrina, for “Louisiana Business Redevelopment  
14 Fund”, \$10,000,000,000, to remain available until ex-  
15 pended: *Provided*, That the State of Louisiana in conjunc-  
16 tion with local authorities in the additional disaster par-  
17 ishes, shall: (1) establish a Bayou State Redevelopment  
18 Corporation (“the corporation”); (2) distribute the funds  
19 provided for the “Louisiana Business Redevelopment  
20 Fund” through the Bayou State Redevelopment Corpora-  
21 tion; (3) within 90 days of the date of enactment of this  
22 Act, issue the initial criteria and requirements necessary  
23 to accept applications from individuals, nonprofits, and  
24 small businesses for economic losses from the August 28,  
25 2005, impact of Hurricane Katrina; and (4) begin proc-

1 essing such applications: *Provided further*, That the cor-  
2 poration shall expeditiously respond to any application  
3 from an individual, nonprofit, or small business for eco-  
4 nomic losses under this heading: *Provided further*, That  
5 of the total amount made available for the “Louisiana  
6 Business Redevelopment Fund”, no less than  
7 \$750,000,000 shall be made available for individuals, non-  
8 profits, or small businesses described, with a limit of  
9 \$750,000 per small business for economic losses: *Provided*  
10 *further*, That amounts made available in the previous pro-  
11 viso shall only be available for individuals, nonprofits, or  
12 small businesses located in communities within the State  
13 of Louisiana designated by the President as a major dis-  
14 aster under the Robert T. Stafford Disaster Relief and  
15 Emergency Assistance Act, in connection with Hurricane  
16 Katrina: *Provided further*, That, of the amount provided  
17 in this paragraph, \$1,000,000,000 shall be used for a pro-  
18 gram to aid the travel and tourism industry.

## 19 HOUSING PROGRAMS

### 20 MORTGAGE RELIEF

21 For mortgage relief for individuals affected by Hurri-  
22 cane Katrina, \$5,000,000,000, to remain available until  
23 March 30, 2007: *Provided*, That the Secretary of Housing  
24 and Urban Development shall consult with the Adminis-  
25 trator of the Small Business Administration prior to

1 issuing such funds to an individual: *Provided* further, That  
2 the amount provided herein is designated as an emergency  
3 requirement pursuant to section 402 of H. Con. Res. 95  
4 (109th Congress).

5                   **Subtitle H—Department of**  
6                   **Transportation**

7                   TRANSPORTATION PROGRAMS

8           For an additional amount for necessary expenses to  
9 carry out the projects and activities described in title V—

10                   (1) \$7,000,000,000 shall be available to the  
11 Louisiana Department of Transportation and Devel-  
12 opment for construction, maintenance, and repair of  
13 evacuation and energy supply routes in the State of  
14 Louisiana;

15                   (2) \$5,000,000,000 shall be available to the  
16 Louisiana Department of Transportation and Devel-  
17 opment for expansion of road and transit capacity;

18                   (3) \$1,000,000,000 shall be available to the  
19 Port of New Orleans, Louisiana, for restoration,  
20 protection, and improvement of infrastructure;

21                   (4) \$1,000,000,000 shall be available to the  
22 Louisiana Department of Transportation and Devel-  
23 opment to provide grants for restoration, protection,  
24 and improvement of infrastructure to ports other  
25 than the Port of New Orleans;

1           (5) \$71,800,000 shall be available to the Fed-  
2           eral Aviation Administration for reimbursements to  
3           the Louis Armstrong New Orleans International Air-  
4           port;

5           (6) \$7,000,000, to remain available until ex-  
6           pended, shall be available to carry out section  
7           48101(c) of title 49, United States Code;

8           (7) \$2,900,000,000 shall be available for the  
9           emergency relief program of the Department of  
10          Transportation under section 125 of title 23, United  
11          States Code;

12          (8) \$20,000,000 shall be available for the estab-  
13          lishment and implementation of comprehensive de-  
14          velopment plans for development districts in the  
15          State of Louisiana;

16          (9) \$36,000,000 shall be available to the Fed-  
17          eral Railroad Administration for reimbursements to  
18          the New Orleans Public Belt Railroad for antici-  
19          pated revenue shortfalls due to Hurricane Katrina;

20          (10) \$190,000,000 shall be available to the  
21          New Orleans Regional Transit Authority for reve-  
22          nues lost as a consequence of Hurricane Katrina;  
23          and





1 Department of Education, which funds shall remain avail-  
2 able to the Louisiana Department of Education until ex-  
3 pended: *Provided further*, That the amount of any such  
4 funds to be provided to a teacher shall be reduced by any  
5 amount the teacher receives under section 410(a) of the  
6 Robert T. Stafford Disaster Relief and Emergency Assist-  
7 ance Act (42 U.S.C. 5177(a)), for temporary extended un-  
8 employment compensation under subtitle E of title III, for  
9 temporary employment, or under any other Federal pro-  
10 gram: *Provided further*, That such funds shall only be  
11 made available to a teacher if the teacher enters into a  
12 written agreement with the Louisiana Department of Edu-  
13 cation to return to employment at the teacher's home  
14 school in Louisiana once the return is determined appro-  
15 priate by the Louisiana Department of Education.

16 PROJECT SERV

17 For an additional amount for Project Serv under the  
18 Safe and Drug-Free Schools and Communities Act (20  
19 U.S.C. 7101 et seq.) for individuals impacted by Hurri-  
20 cane Katrina, \$5,000,000 to remain available until ex-  
21 pended for Hurricane Katrina affected Louisiana commu-  
22 nities.

## GENERAL PROVISIONS

1  
2 **SEC. 120. SUPPORT FOR ELEMENTARY AND SECONDARY**  
3 **SCHOOLS WITH A LARGE INFLUX OF DIS-**  
4 **PLACED STUDENTS.**

5 (a) PURPOSE.—It is the purpose of this section—

6 (1) to provide assistance to eligible local edu-  
7 cational agencies experiencing large increases in stu-  
8 dent enrollment due to Hurricane Katrina;

9 (2) to assist private and parochial schools expe-  
10 riencing large increases in student enrollment due to  
11 Hurricane Katrina.

12 (3) to facilitate the enrollment of students im-  
13 pacted by Hurricane Katrina into elementary schools  
14 and secondary schools served by such agencies and  
15 private and parochial schools; and

16 (4) to provide high quality instruction to such  
17 students.

18 (b) GRANTS AUTHORIZED.—

19 (1) IN GENERAL.—The Secretary of Education  
20 shall award grants to eligible local educational agen-  
21 cies and eligible private schools.

22 (2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES  
23 AND ELIGIBLE PRIVATE SCHOOLS.—

24 (A) CHILD COUNT.—Each State that has a  
25 large influx of displaced students due to Hurri-

1           cane Katrina, as determined by the Secretary of  
2           Education, shall set a child count date for local  
3           educational agencies in the State that have a  
4           large influx of such students, as determined by  
5           the State, for the purpose of determining the  
6           total number of such students in each such  
7           agency.

8           (B) DEFINITION OF ELIGIBLE LOCAL EDU-  
9           CATIONAL AGENCY.—In this section, the term  
10          “eligible local educational agency” means a  
11          local educational agency—

12                 (i) that serves, as determined in ac-  
13                 cordance with the child count described in  
14                 subparagraph (A), not less than 30 dis-  
15                 placed students due to Hurricane Katrina;  
16                 or

17                 (i) that serves an elementary school or  
18                 secondary school in which not less than 3  
19                 percent of the students enrolled at the  
20                 school are displaced students due to Hurri-  
21                 cane Katrina, as determined in accordance  
22                 with the child count described in subpara-  
23                 graph (A).

24          (C) DEFINITION OF ELIGIBLE PRIVATE  
25          SCHOOL.—The term eligible private school

1 means a private or parochial elementary or sec-  
2 ondary school that meets the requirements of  
3 subparagraph (B)(i) and is a school described  
4 in subparagraph (B)(ii).

5 (3) GRANT AMOUNT.—An eligible local edu-  
6 cational agency or an eligible private school that re-  
7 ceives a grant under this section shall receive a  
8 grant amount that is equal to \$4,000 multiplied  
9 by—

10 (A) in the case of an eligible local edu-  
11 cational agency, the number of students who  
12 enroll in elementary schools and secondary  
13 schools served by such agency because the stu-  
14 dents are displaced due to Hurricane Katrina;  
15 and

16 (B) in the case of an eligible private  
17 school, the number of students enrolled in the  
18 private school who are displaced due to Hurri-  
19 cane Katrina.

20 (c) APPLICATION.—Each eligible local educational  
21 agency and eligible private school desiring a grant under  
22 this section shall prepare and submit an application to the  
23 Secretary of Education that contains—

24 (1) an assurance that the educational pro-  
25 grams, services, and activities proposed under this

1 section will be administered by or under the super-  
2 vision of the agency or the eligible private school, re-  
3 spectively;

4 (2) an assurance that the agency or eligible pri-  
5 vate school will coordinate the use of funds received  
6 under this section with other funds received by the  
7 agency or the eligible private school under the Ele-  
8 mentary and Secondary Education Act of 1965 (20  
9 U.S.C. 6301 et seq.) and with programs described  
10 under such Act;

11 (3) an assurance that funds will be used—

12 (A)(i) in the case of funds received by an  
13 eligible local educational agency, to improve in-  
14 struction to students who enroll in elementary  
15 schools and secondary schools served by such  
16 agency because the students are displaced due  
17 to Hurricane Katrina; or

18 (ii) in the case of funds received by an eli-  
19 gible private school, to improve instruction to  
20 students enrolled in the school who are dis-  
21 placed due to Hurricane Katrina; and

22 (B) to facilitate such students' transition  
23 into schools served by the agency or eligible pri-  
24 vate school; and

1           (4) such other information and assurances as  
2           the Secretary may reasonably require.

3           (d) USE OF FUNDS.—Each eligible local educational  
4           agency or eligible private school that receives a grant  
5           under this section shall use the grant funds to enhance  
6           instructional opportunities for students who enroll in ele-  
7           mentary schools and secondary schools served by such  
8           agency or the eligible private school, respectively, because  
9           the students are displaced due to Hurricane Katrina,  
10          which may include—

11           (1) basic instructional services for such stu-  
12           dents, including tutoring, mentoring, or academic  
13           counseling;

14           (2) salaries of personnel, including teacher  
15           aides, to provide instructional services to such stu-  
16           dents;

17           (3) identification and acquisition of curricular  
18           material, including the costs of providing additional  
19           classroom supplies, overhead costs, costs of construc-  
20           tion, acquisition or rental of space, costs of transpor-  
21           tation, or such other costs as are directly attrib-  
22           utable to such instructional services for such stu-  
23           dents;

24           (4) health services (including mental health  
25           services), meals, and clothing; and

1           (5) such other activities, related to the purpose  
2 of this section, as the Secretary of Education may  
3 authorize.

4           (e) APPROPRIATIONS.—

5           (1) IN GENERAL.—Out of any money in the  
6 Treasury not otherwise appropriated, there are au-  
7 thorized to be appropriated and there are appro-  
8 priated to carry out this section such sums as may  
9 be necessary.

10           (2) EMERGENCY DESIGNATION.—The amount  
11 appropriated under this subsection is designated as  
12 an emergency requirement pursuant to section 402  
13 of H. Con. Res. 95 (109th Congress).

14 **SEC. 121. IMMEDIATE AID TO RESTART SCHOOL OPER-**  
15 **ATIONS.**

16           (a) PURPOSE.—It is the purpose of this section—

17           (1) to provide immediate and direct assistance  
18 to local educational agencies and private or parochial  
19 schools in Louisiana that serve an area in which a  
20 major disaster has been declared in accordance with  
21 section 401 of the Robert T. Stafford Disaster Relief  
22 and Emergency Assistance Act (42 U.S.C. 5170),  
23 related to Hurricane Katrina;

24           (2) to assist school district administrators and  
25 personnel of such agencies or schools who are work-

1       ing to restart operations in elementary schools and  
2       secondary schools served by such agencies or schools;  
3       and

4             (3) to facilitate the reopening of elementary  
5       schools and secondary schools served by such agen-  
6       cies or schools and the enrollment of students in  
7       schools served by such agencies or schools as soon  
8       as possible.

9       (b) PAYMENTS AUTHORIZED.—From amounts appro-  
10      priated to carry out this section, the Secretary of Edu-  
11      cation is authorized to make payments to the State De-  
12      partments of Education in Louisiana for use in restarting  
13      schools located in an area in which a major disaster has  
14      been declared in accordance with section 401 of the Robert  
15      T. Stafford Disaster Relief and Emergency Assistance Act  
16      (42 U.S.C. 5170), related to Hurricane Katrina.

17      (c) SUPPLEMENT NOT SUPPLANT.—Funds made  
18      available under this section shall be used to supplement,  
19      not supplant, any funds made available through the Fed-  
20      eral Emergency Management Agency or through a State.

21      (d) AUTHORIZATION OF APPROPRIATIONS.—There is  
22      authorized to be appropriated to carry out this section  
23      \$600,000,000 for fiscal year 2006.



1 **SEC. 122. EDUCATION FOR INDIVIDUALS WITH DISABIL-**  
2 **ITIES.**

3 (a) DATA FOR FUNDING CALCULATIONS.—In calcu-  
4 lating funding under the Individuals with Disabilities Edu-  
5 cation Act (20 U.S.C. 1400 et seq.) for the 2005–2006  
6 school year and the 2006–2007 school year for a State  
7 that meets the requirements of subsection (b), the Sec-  
8 retary of Education shall use data from the 2004–2005  
9 school year to determine the number of children in such  
10 State for the purposes of—

11 (1) subsections (a) and (d)(3) of section 611 of  
12 the Individuals with Disabilities Education Act (20  
13 U.S.C. 1411 (a) and (d)(3));

14 (2) section 619 of the Individuals with Disabil-  
15 ities Education Act (20 U.S.C. 1419), if such State  
16 is eligible to receive an allocation under such section;  
17 and

18 (3) section 643(c) of the Individuals with Dis-  
19 abilities Act (20 U.S.C. 1443(c)).

20 (b) SENDING STATE.—A State referred to in sub-  
21 section (a) is a State that—

22 (1) includes an area in which the President has  
23 declared that a major disaster exists in accordance  
24 with section 401 of the Robert T. Stafford Disaster  
25 Relief and Emergency Assistance Act (42 U.S.C.  
26 5170) related to Hurricane Katrina; and



1           “(D) WAIVERS OF FEDERAL STUDENT  
2 AID.—The Secretary may issue one-time waiv-  
3 ers of the amounts that students are required  
4 to return under this section with respect to stu-  
5 dent aid awarded under this title, if—

6           “(i) the students were residing in, em-  
7 ployed in, or attending an institution of  
8 higher education that is located in an  
9 area—

10           “(I) in which the President has  
11 declared that a major disaster exists,  
12 in accordance with section 401 of the  
13 Robert T. Stafford Disaster Relief  
14 and Emergency Assistance Act (42  
15 U.S.C. 5170); and

16           “(II) in which individual an pub-  
17 lic assistance is available pursuant to  
18 this Act; and

19           “(ii) the students’ attendance was in-  
20 terrupted because of the impact of the dis-  
21 aster on the student or the institution.”.

1 **SEC. 125. WAIVER AUTHORITY TO MODIFY AUTHORIZED**  
2 **USES OF TRIO, GEAR-UP, PART A OR B OF**  
3 **TITLE III AND OTHER GRANTS**

4 The Secretary is authorized to modify the required  
5 and allowable uses of funds under chapters 1 and 2 of  
6 subpart 2 of part A of title IV of the Higher Education  
7 Act of 1965 (20 U.S.C. 1070a et seq., 1070a–21 et seq.),  
8 under part A or B of title III (20 U.S.C. 1057 et seq.,  
9 1060 et seq.), and under any other competitive grant pro-  
10 gram, at the request of an institution or other grantee  
11 affected by Hurricane Katrina, with respect to affected in-  
12 stitutions and other grantees located in an area which an  
13 emergency or major disaster was declared under section  
14 401 of the Robert T. Stafford Disaster Relief and Emer-  
15 gency Assistance Act due to the effects of Hurricane  
16 Katrina.

17 **SEC. 126. FUND FOR EARLY CHILDHOOD CARE AND EDU-**  
18 **CATION.**

19 (a) PURPOSE.—It is the purpose of this section—

20 (1) to provide assistance to local communities  
21 experiencing large influxes of preschool-aged chil-  
22 dren displaced by Hurricane Katrina;

23 (2) to provide assistance to local communities  
24 in Louisiana that are directly impacted by Hurri-  
25 cane Katrina; and

1           (3) to facilitate placement of such children in  
2           early childhood education programs.

3           (b) EARLY CHILDHOOD EDUCATION PROGRAMS.—In  
4 this section, the term “early childhood education pro-  
5 gram” means a Head Start program or a LA 1 Early  
6 Head Start program carried out under the Head Start Act  
7 (42 U.S.C. 9831 et seq.), a State licensed or regulated  
8 child care program or school, or a State prekindergarten  
9 program that serves children from birth through kinder-  
10 garten.

11          (c) GRANTS AND SUBGRANTS AUTHORIZED.—

12           (1) GRANTS.—The Secretary of Health and  
13 Human Services shall award grants to States dem-  
14 onstrating large influxes of children and families dis-  
15 placed due to Hurricane Katrina.

16           (2) SUBGRANTS.—

17           (A) IN GENERAL.—A State receiving a  
18 grant under paragraph (1) shall award sub-  
19 grants to affected local communities in the  
20 State to facilitate placement of displaced chil-  
21 dren in existing early childhood education pro-  
22 grams.

23           (B) AFFECTED LOCAL COMMUNITIES.—In  
24 this paragraph, the term “affected local com-  
25 munity” means a local community—

1 (i) in a State described in subpara-  
2 graph (A) in which—

3 (I) there are not less than 200  
4 pre-school aged children who are dis-  
5 placed due to Hurricane Katrina; or

6 (II) there is a significant percent-  
7 age of the total number of children  
8 participating in early childhood edu-  
9 cation programs in the community  
10 who are children who are in the com-  
11 munity because the children are dis-  
12 placed due to Hurricane Katrina, as  
13 determined by the Secretary of Health  
14 and Human Services; or

15 (ii) in a Louisiana parish affected by  
16 Hurricane Katrina.

17 (d) APPLICATIONS.—Each State that desires to re-  
18 ceive a grant under this section shall prepare and submit  
19 an application to the Secretary of Health and Human  
20 Services that contains—

21 (1) a description of the collaborative planning  
22 process between the State agency responsible for  
23 pre-kindergarten, State child care administrator, and  
24 Head Start Collaboration Director to facilitate the  
25 placement of children who are displaced due to Hur-

1       ricane Katrina in early childhood education pro-  
2       grams;

3               (2) assurances that funds received under this  
4       section will be used for the purpose described in sub-  
5       section (a);

6               (3) a plan to coordinate funds received under  
7       this section with existing resources available to the  
8       early childhood education programs for similar pur-  
9       poses; and

10              (4) such other information and assurances as  
11       the Secretary of Health and Human Services may  
12       reasonably require.

13       (e) USE OF SUBGRANT FUNDS.—

14              (1) IN GENERAL.—Each affected local commu-  
15       nity receiving a subgrant under this section shall use  
16       the subgrant funds only for—

17                      (A) costs associated with accommodating  
18                      the influx of displaced children, including acqui-  
19                      sition or rental of space;

20                      (B) costs associated with providing services  
21                      to displaced children, including related services  
22                      such as nutrition and acquisition of related ma-  
23                      terials; and

1           (C) costs associated with hiring additional  
2           personnel, including teacher aides or personnel  
3           working with families of children.

4           (2) INCOME AND DOCUMENTATION WAIVER.—

5           The Secretary of Health and Human Services shall  
6           waive requirements of income eligibility and docu-  
7           mentation for children displaced by Hurricane  
8           Katrina who participate in early childhood education  
9           programs, such as Head Start programs and Early  
10          Head Start, funded by subgrants awarded pursuant  
11          to this section.

12          (f) APPROPRIATIONS.—

13           (1) IN GENERAL.—Out of any money in the  
14          Treasury not otherwise appropriated, there are au-  
15          thorized to be appropriated and there are appro-  
16          priated to carry out this section \$600,000,000 for  
17          fiscal year 2006, of which not more than .05 percent  
18          may be used for administrative expenses.

19           (2) AVAILABILITY.—Funds appropriated under  
20          this subsection shall remain available until expended  
21          or until the date that is 2 years after the date of  
22          enactment of this Act, whichever is earlier.

23           (3) EMERGENCY DESIGNATION.—The amount  
24          appropriated under this subsection is designated as



1 an emergency requirement pursuant to section 402  
2 of H. Con. Res. 95 (109th Congress).

3 **SEC. 127. IMPROVING EDUCATIONAL INFRASTRUCTURE.**

4 (a) PURPOSE.—It is the purpose of this section to  
5 assist areas impacted by Hurricane Katrina to repair, ren-  
6 ovate, alter, or construct facilities critical to the edu-  
7 cational needs of students, by providing Federal funds to  
8 assist local educational agencies, early childhood education  
9 programs, and private or parochial kindergarden through  
10 grade 12 programs, to meet costs associated with repair-  
11 ing, renovating, altering, or constructing the facilities of  
12 such entities.

13 (b) GRANTS AUTHORIZED.—The Secretary of Edu-  
14 cation shall award a grant to the Louisiana Department  
15 of Education to enable the Louisiana Department of Edu-  
16 cation to award subgrants to local educational agencies,  
17 early childhood education programs, and private or paro-  
18 chial kindergarden through grade 12 programs that are  
19 in an area, that is subject to a declaration by the Presi-  
20 dent of a major disaster in accordance with section 401  
21 of the Robert T. Stafford Disaster Relief and Emergency  
22 Assistance Act (42 U.S.C. 5170) related to Hurricane  
23 Katrina and in which individual and public assistance is  
24 available pursuant to this Act, relative to the dem-  
25 onstrated need for the repair, renovation, alteration, or

1 construction of the facilities of such entities based on the  
2 condition of the facilities due to the impact of Hurricane  
3 Katrina.

4 (c) USE OF FUNDS.—Each local educational agency,  
5 early childhood education program, or private or parochial  
6 kindergarden through grade 12 program receiving  
7 subgrant funds under this section shall use such funds  
8 only to facilitate the education of students through the re-  
9 pair, renovation, alteration, or construction of a public ele-  
10 mentary school or secondary school facility, an early child-  
11 hood education facility, or a private or parochial  
12 kindergarden through grade 12 program facility, used for  
13 academic, vocational, or developmental instruction.

14 (d) APPROPRIATIONS.—

15 (1) IN GENERAL.—There are authorized to be  
16 appropriated to carry out this section  
17 \$2,000,000,000 for fiscal year 2006, of which not  
18 more than .05 percent may be used for administra-  
19 tion expenses.

20 (2) AVAILABILITY.—Funds appropriated under  
21 subsection (a) shall remain available until expended.

22 **SEC. 128. POSTSECONDARY EDUCATION STABILIZATION**  
23 **BOARD.**

24 (a) APPROPRIATIONS.—

1           (1) IN GENERAL.—Out of any money in the  
2           Treasury not otherwise appropriated, there are ap-  
3           propriated for the fiscal year ending September 30,  
4           2005, \$5,000,000,000 to remain available until ex-  
5           pended to the Postsecondary Education Stabilization  
6           Board, established under this section, to establish an  
7           Education Relief Fund for the compensation of post-  
8           secondary educational institutions for direct and as-  
9           sociated losses due to the impact of Hurricane  
10          Katrina and for recovery initiatives.

11          (2) EMERGENCY DESIGNATION.—The amount  
12          appropriated under paragraph (1) is designated as  
13          an emergency requirement pursuant to section 402  
14          of H. Con. Res. 95 (109th Congress).

15          (b) POSTSECONDARY EDUCATIONAL INSTITUTION.—  
16          In this section, the term “postsecondary educational insti-  
17          tution” means—

18                (1) a public postsecondary institution located in  
19                Louisiana;

20                (2) a private nonprofit postsecondary institu-  
21                tion, which is a member of the Louisiana Association  
22                of Independent Colleges and Universities, located in  
23                Louisiana; or

24                (3) a private for profit postsecondary institution  
25                located in Louisiana determined by the Postsec-

1       ondary Education Stabilization Board to be eligible  
2       for assistance under this section.

3       (c) POSTSECONDARY EDUCATION STABILIZATION  
4 BOARD.—

5           (1) ESTABLISHMENT.—There is established a  
6       Postsecondary Education Stabilization Board com-  
7       posed of the Secretary of Education (or a designee  
8       of the Secretary of Education), and the Secretary of  
9       the Treasury (or a designee of the Secretary of the  
10      Treasury).

11          (2) DUTIES.—The Postsecondary Education  
12      Stabilization Board shall—

13           (A) establish an Education Relief Fund  
14           that includes funds appropriated under this sec-  
15           tion; and

16           (B) from such Education Relief Fund pro-  
17           vide funds to postsecondary educational institu-  
18           tions for direct or indirect losses incurred on or  
19           after August 28, 2005, resulting from the im-  
20           pact of Hurricane Katrina, and recovery initia-  
21           tives of such institutions.

22          (d) USE OF ASSISTANCE.—Assistance received by a  
23      postsecondary educational institution pursuant to this sec-  
24      tion may be used for—

1           (1) direct and indirect construction costs and  
2 clean-up costs resulting from Hurricane Katrina;

3           (2) faculty salaries and incentives for retaining  
4 faculty;

5           (3) educational programs relevant to the recov-  
6 ery effort;

7           (4) institutional initiatives designed for eco-  
8 nomic and community revitalization and recovery;

9           (5) faculty recruitment costs;

10          (6) costs of lost tuition, revenue, and enroll-  
11 ment; and

12          (7) debt relief.

13          (e) REQUIREMENTS FOR ASSISTANCE DUE TO  
14 LOSSES.—A postsecondary educational institution that  
15 desires to receive assistance under this section shall—

16           (1) submit a sworn financial statement and  
17 other appropriate data, documentation, or other evi-  
18 dence requested by the Postsecondary Education  
19 Stabilization Board, to the Postsecondary Education  
20 Stabilization Board that indicates that the institu-  
21 tion incurred losses resulting from the impact of  
22 Hurricane Katrina and the monetary amount of  
23 such losses; and

24           (2) demonstrate that the institution attempted  
25 to minimize the costs of any losses by pursuing col-

1 lateral source compensation from the Federal Emer-  
2 gency Management Agency, the Small Business Ad-  
3 ministration, and insurance prior to seeking assist-  
4 ance under this section.

5 (f) AUDIT.—The Secretary of Education and the  
6 Comptroller General of the United States may audit a  
7 statement submitted under subsection (e) and may request  
8 any information that the Secretary of Education and  
9 Comptroller General determine necessary to conduct such  
10 an audit.

11 (g) REDUCTION IN ASSISTANCE.—In calculating as-  
12 sistance to a postsecondary educational institution under  
13 this section, the Postsecondary Education Stabilization  
14 Board shall calculate a figure that reduces from the mone-  
15 tary amount of losses incurred by such institution, only  
16 the amount of collateral source compensation the institu-  
17 tion has received from insurance, the Federal Emergency  
18 Management Agency, and the Small Business Administra-  
19 tion.

20 (h) REGULATIONS.—Not later than 14 days after the  
21 date of enactment of this section, the Office of Manage-  
22 ment and Budget, in consultation with the Postsecondary  
23 Education Stabilization Board, shall issue regulations set-  
24 ting forth procedures for an application for assistance

1 under this section and minimum requirements for receiv-  
2 ing assistance under this section, including the following:

3 (1) Online forms to be used in submitting re-  
4 quests for assistance

5 (2) Information to be included in forms.

6 (3) Procedures to assist in filing and pursuing  
7 assistance.

8 (i) TAX CONSEQUENCES.—

9 (1) NOT INCOME.—Any assistance received by a  
10 postsecondary educational institution under this sec-  
11 tion shall not be treated as income for the purposes  
12 of the Internal Revenue Code of 1986.

13 (2) TAX EXEMPT.—Any Government bond  
14 issued to finance the construction of a public or pri-  
15 vate postsecondary educational institution shall be  
16 considered an exempt facility bond for purposes of  
17 the Internal Revenue Code of 1986 and shall not be  
18 subject to section 146 of such Code.

19 (j) WAIVERS.—The Secretary of Education may  
20 waive any requirements under title IV of the Higher Edu-  
21 cation Act of 1965 (20 U.S.C. 1070 et seq.) that are ren-  
22 dered infeasible or unreasonable due to the impact of Hur-  
23 ricane Katrina, including due diligence requirements and  
24 reporting deadlines, for an institution of higher education,  
25 eligible lender, or other entity participating in a student

1 assistance program under such title that is located in, or  
2 whose operations are directly affected by, an area in which  
3 the President has declared that a major disaster exists in  
4 accordance with section 401 of the Robert T. Stafford Dis-  
5 aster Relief and Emergency Assistance Act (42 U.S.C.  
6 5170), related to Hurricane Katrina.

### 7 **Subtitle K—Coast Guard**

8 For an amount for the United States Coast Guard,  
9 \$10,000,000, to be used to contract with commercial fish-  
10 ing vessel operators to remove debris from the marine en-  
11 vironment caused by Hurricane Katrina: *Provided*, That  
12 the Commandant of the Coast Guard is authorized to use  
13 the emergency and simplified acquisition procedures estab-  
14 lished under the Homeland Security Act of 2002 to award  
15 such contracts on an expedited basis: *Provided further*,  
16 That not later than 6 months after the date of enactment  
17 of this Act, the Commandant shall submit to Congress a  
18 report on the debris removal efforts, including the type  
19 and amount of debris removed, the number of commercial  
20 fishing vessels employed, the funds disbursed to carry out  
21 this subtitle, and a comprehensive plan for further removal  
22 of any remaining marine debris.



1           **Subtitle L—Department of the**  
2   **Interior**

3                                   DEPARTMENT OF THE INTERIOR

4           For an additional amount for necessary expenses to  
5 carry out the projects and activities described in subtitle  
6 E of title IX—

7                   (1) \$8,000,000 shall be available to provide a  
8 direct, lump-sum payment to the Louisiana Depart-  
9 ment of Wildlife and Fisheries by not later than 30  
10 days after the date of enactment of this Act for di-  
11 rect financial assistance to alligator farmers affected  
12 by Hurricane Katrina or a related condition;

13                   (2) \$27,000,000 shall be available to provide a  
14 direct, lump-sum payment to the Louisiana Forestry  
15 Association by not later than 30 days after the date  
16 of enactment of this Act for lost timber sales reve-  
17 nues from the Pearl River Wildlife Management  
18 Area resulting from Hurricane Katrina in Louisiana  
19 or a related condition;

20                   (3) \$12,000,000 shall be available for a direct,  
21 lump-sum payment to the Louisiana Department of  
22 Wildlife and Fisheries by not later than 30 days  
23 after the date of enactment of this Act for the res-  
24 toration of wildlife management areas and other as-  
25 sessments, research, management, and restoration

1 activities relating to wildlife and habitat manage-  
2 ment; and

3 (4) such sums as are necessary shall be avail-  
4 able by not later than 30 days after the date of en-  
5 actment of this Act for assessment, research, and  
6 mitigation activities of the Louisiana Department of  
7 Wildlife and Fisheries.

8 The amounts provided under this heading are des-  
9 ignated as an emergency requirement pursuant to section  
10 402 of the conference report to accompany H. Con. Res.  
11 95 (109th Congress).

## 12 **Subtitle M—Department of** 13 **Agriculture**

### 14 RURAL HOUSING SERVICE

#### 15 RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

16 For additional gross obligations for the principal  
17 amount of direct and guaranteed loans as authorized by  
18 title V of the Housing Act of 1949, to be available from  
19 funds in the rural housing insurance fund, as follows:  
20 \$313,000,000 for loans to section 502 borrowers, as deter-  
21 mined by the Secretary, of which \$60,000,000 shall be  
22 available for direct loans, and of which \$210,000,000 shall  
23 be available for unsubsidized guaranteed loans;  
24 \$3,000,000 for section 504 housing repair loans of which

1 \$40,000,000 shall be available for section 515 rental hous-  
2 ing and 100 percent rental assistance.

3 For the additional cost of direct loans, including the  
4 cost of modifying loans as defined in section 502 of the  
5 Congressional Budget Act of 1974, as follows: For section  
6 502 loans, \$313,000,000, of which \$60,000,000, to re-  
7 main available until expended, shall be for direct loans,  
8 and of which \$210,000,000, to remain available until ex-  
9 pended, shall be for unsubsidized guaranteed loans of  
10 which \$3,000,000 shall be available for section 504 hous-  
11 ing repair loans, to remain available until expended of  
12 which \$40,000,000 shall be available for section 515 loans  
13 and 100 percent rental assistance, \$40,000,000, to remain  
14 available until expended.

15 *Provided*, That such loans shall only be available for  
16 projects in communities in the State of Louisiana des-  
17 ignated by the President as a major disaster area pursu-  
18 ant to the Robert T. Stafford Disaster Relief and Emer-  
19 gency Assistance Act in connection with Hurricane  
20 Katrina: *Provided further*, That for the requirements of  
21 clause (3) of section 501(c) of the Housing Act of 1949  
22 (relating to inability to secure credit from other sources)  
23 shall not apply to any direct loan under section 502 of  
24 such Act: *Provided further*, That any limitations under  
25 title V of the Housing Act of 1949 that are based on the

1 income of families shall not apply during fiscal years 2006  
2 through 2008 for purposes of any guaranteed loan under  
3 section 502 of such Act that refinances any existing direct  
4 or guaranteed loan under such section and includes  
5 amounts for repairs with respect to any community in the  
6 State of Louisiana designated by the President as a major  
7 disaster area pursuant to the Robert T. Stafford Disaster  
8 Relief and Emergency Assistance Act or to families resid-  
9 ing in such communities: *Provided further*, That under the  
10 guaranteed loan program under section 502 of the Hous-  
11 ing Act of 1949, the Secretary shall have authority to refi-  
12 nance a loan previously financed or mortgaged, but not  
13 already guaranteed by the Rural Housing Service, on a  
14 home with repairs within income limit restrictions estab-  
15 lished by each individual parish within the State of Lou-  
16 isiana: *Provided further*, That notwithstanding any provi-  
17 sion of section 504 of the Housing Act of 1949, the Sec-  
18 retary may make loans from amounts made available  
19 under this heading for housing in communities in the  
20 State of Louisiana designated by the President as a major  
21 disaster area pursuant to the Robert T. Stafford Disaster  
22 Relief and Emergency Assistance Act in connection with  
23 Hurricane Katrina to eligible low-income applicants, the  
24 maximum amount of such a loan shall be \$35,000, the  
25 maximum amount of a loan evidenced by a promissory

1 note shall be \$15,000, and such loans may be made with-  
2 out obtaining an appraisal in advance and shall be repay-  
3 able within 30 years: *Provided further*, That the amounts  
4 provided under this heading are designated as an emer-  
5 gency requirement pursuant to section 402 of H. Con.  
6 Res. 95 (109th Congress).

7                   RURAL HOUSING ASSISTANCE GRANTS

8           For an additional amount for Rural Housing Assist-  
9 ance Grants, \$4,000,000, to remain available until ex-  
10 pended, to be used for grants and contracts for housing  
11 repair under section 504 of the Housing Act of 1949 (42  
12 U.S.C. 1474): *Provided*, That such grants and contracts  
13 under this heading shall only be available for projects in  
14 communities in the State of Louisiana designated by the  
15 President as a major disaster area pursuant to the Robert  
16 T. Stafford Disaster Relief and Emergency Assistance Act  
17 in connection with Hurricane Katrina: *Provided further*,  
18 That notwithstanding any provision of such section 504,  
19 the Secretary may make grants and contracts from  
20 amounts made available under this heading for housing  
21 in communities in the State of Louisiana designated by  
22 the President as a major disaster area pursuant to the  
23 Robert T. Stafford Disaster Relief and Emergency Assist-  
24 ance Act in connection with Hurricane Katrina to eligible  
25 low-income applicants and the maximum amount of such  
26 a grant shall be \$15,000: *Provided further*, That the

1 amounts provided under this heading are designated as  
2 an emergency requirement pursuant to section 402 of H.  
3 Con. Res. 95 (109th Congress).

4 **Subtitle N—Department of Justice**  
5 **GENERAL ADMINISTRATION**  
6 **Salaries and Expenses**

7 **SEC. 131. DEFINITION.**

8 For the purpose of this subtitle, the term “unit of  
9 local government” means—

10 (1) a county, township, city, or political subdivi-  
11 sion of a county, township, or city that is a unit of  
12 local government as determined by the Secretary of  
13 Commerce for general statistical purposes; or

14 (2) a district attorney or a parish sheriff in the  
15 State of Louisiana.

16 **SEC. 132. FUNDING.**

17 In addition to amounts otherwise provided for in this  
18 Act, the following amounts are appropriated for fiscal year  
19 2006 and designated as an emergency requirement pursu-  
20 ant to section 402 of H. Con. Res. 95 (109th Congress):

21 (1) EMERGENCY LAW ENFORCEMENT ASSIST-  
22 ANCE.—

23 (A) FUNDING.—For an additional amount  
24 for hurricane-related expenses, \$650,000,000 to  
25 remain available until expended: *Provided*, That

1           such sums as are necessary shall be derived  
2           from programs in the Office of Justice Pro-  
3           grams, Bureau of Justice Assistance authorized  
4           by the Justice Assistance Act of 1984, title II,  
5           chapter VI (Public Law 98–473; Stat. 1837,  
6           sec. 609): *Provided further*, That of the  
7           amounts made available under this heading,  
8           \$650,000,000 shall be available only for the  
9           Louisiana Commission on Law Enforcement.

10           (B) WAIVER.—Notwithstanding any limitations  
11           on the amount of funds that may be distributed  
12           from this program under section 609Y of the Justice  
13           Assistance Act of 1984 (42 U.S.C. 10513(a)) such  
14           limitations are waived for purposes of the funding  
15           made available under this paragraph.

16           (2) ENHANCING LAW ENFORCEMENT.—For an  
17           additional amount for “Enhancing State and Local  
18           Law Enforcement” for expenses related to respond-  
19           ing to Hurricane Katrina, \$200,000,000 to the  
20           Community Oriented Policing Services program to  
21           remain available until expended: *Provided*, That of  
22           the amounts made available under this heading,  
23           \$200,000,000 shall be available only to the hiring  
24           section.

1           (3) ASSISTING CHILDREN IMPACTED BY HURRI-  
2           CANE KATRINA.—For an additional amount of  
3           \$10,000,000 to remain available until expended for  
4           the Missing Children Program at the National Cen-  
5           ter for Missing and Exploited Children to find,  
6           unite, and transport children impacted by Hurricane  
7           Katrina to their parents, legal guardian, or next of  
8           kin.

9   **SEC. 133. ASSISTANCE TO COURTS.**

10          Section 462(f) title 28, United States Code, is  
11          amended by adding at the end the following:

12          “(g) The Chief Judge of each United States District  
13          Court is encouraged to cooperate with requests from State  
14          and local authorities whose operations have been signifi-  
15          cantly disrupted as a result of Hurricane Katrina to pro-  
16          vide accommodations in Federal facilities for State and  
17          local courts to conduct proceedings. The Administrator of  
18          General Services is authorized and directed to provide the  
19          accommodations requested by the Chief Judge.”.

20           **TITLE II—IMPROVEMENTS TO**  
21           **DISASTER ASSISTANCE**

22   **SEC. 200. SENSE OF THE SENATE REGARDING THE AP-**  
23           **POINTMENT OF FEDERAL CENTRAL COORDI-**  
24           **NATING AGENT.**

25          It is the Sense of the Senate that—



1           (1) the President, in order to efficiently coordi-  
2           nate and monitor the Federal relief and reconstruc-  
3           tion efforts for the State of Louisiana, should ap-  
4           point an individual to coordinate Federal efforts to  
5           work with the State of Louisiana and local govern-  
6           ments directly impacted by the Hurricane Katrina  
7           as those respective entities plan for their rehabilita-  
8           tion and reconstruction, oversee all Federal work re-  
9           lating to such rehabilitation and reconstruction, and  
10          oversee the obligation of all federally appropriated  
11          funds for the purpose of Hurricane Katrina recov-  
12          ery, rehabilitation and reconstruction; and

13          (2) the appointed individual should be invested  
14          with authority to waive Federal regulatory processes  
15          and legislative impediments to the reconstruction ef-  
16          forts, and further, that the individual be the central  
17          coordinating agent for the Federal actions pursuant  
18          to Katrina recovery, rehabilitation, and reconstruc-  
19          tion.

## 20           **Subtitle A—Immediate Disaster** 21           **Relief**

### 22           **SEC. 201. WAIVER OF COST-SHARING AND MAXIMUM AS-** 23           **SISTANCE REQUIREMENTS.**

24           With respect to the provision of assistance to individ-  
25           uals, households, State and local public entities, and non-

1 profit entities in response to a major disaster relating to  
2 Hurricane Katrina declared by the President on August  
3 29, 2005, in accordance with section 401 of the Robert  
4 T. Stafford Disaster Relief and Emergency Assistance Act  
5 (42 U.S.C. 5170), for the 2-year period beginning on the  
6 date of enactment of this Act—

7 (1) the Federal share under subsection  
8 (g)(2)(A) of that section shall be 100 percent;

9 (2) the maximum limitations on assistance  
10 under paragraphs (2) and (3) of subsection (c), and  
11 subsection (h), of that section shall not apply;

12 (3) the Federal shares required under para-  
13 graphs (1)(A) and (2)(A) of section 406(c) of the  
14 Robert T. Stafford Disaster Relief and Emergency  
15 Assistance Act (42 U.S.C. 5172(c)) shall be 100  
16 percent; and

17 (4) subsections (b)(1) and (b)(2) of section 406  
18 of that Act (42 U.S.C. 5172) shall not apply.

19 **SEC. 202. HAZARD MITIGATION GRANT PROGRAM.**

20 Section 404(a) of the Robert T. Stafford Disaster Re-  
21 lief and Emergency Assistance Act (42 U.S.C. 5170c(a))  
22 is amended in the third sentence by striking “7.5” and  
23 inserting “15”.

1 **SEC. 203. STATE MANAGEMENT COSTS.**

2 Not later than 90 days after the date of enactment  
3 of this Act, the Secretary of Homeland Security shall—

4 (1) develop and implement a process for the ap-  
5 proval of requests for State management cost fund-  
6 ing to ensure, to the maximum extent practicable,  
7 that each such request is approved or disapproved  
8 within the 30-day period after the date of receipt by  
9 the Secretary of the request; and

10 (2) acting through the Director of the Federal  
11 Emergency Management Agency, develop and pro-  
12 vide to States clear and concise guidance to ensure,  
13 to the maximum extent practicable, that the submis-  
14 sion content and evaluation of those requests is con-  
15 sistent.

16 **SEC. 204. DISASTER RELIEF EQUITY.**

17 Notwithstanding any other provision of law, the reli-  
18 gious status of a private nonprofit facility located in an  
19 area in which a major disaster relating to Hurricane  
20 Katrina was declared by the President under section 401  
21 of the Robert T. Stafford Disaster Relief and Emergency  
22 Assistance Act (42 U.S.C. 5170), or of the owner or oper-  
23 ator of such a facility, shall not preclude the facility from  
24 being eligible to receive Federal assistance for use in re-  
25 pairing, restoring, reconstructing, or replacing the facility

1 following damage or destruction of the facility as a result  
2 of Hurricane Katrina.

3 **SEC. 205. PRESIDENTIALLY DECLARED DISASTER AREA**  
4 **MAY INCLUDE THE OUTER CONTINENTAL**  
5 **SHELF.**

6 (a) IN GENERAL.—Section 102(3) of the Robert T.  
7 Stafford Disaster Relief and Emergency Assistance Act  
8 (42 U.S.C. 5122(3)) is amended by inserting “, and in-  
9 cludes the outer Continental Shelf (as defined in section  
10 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C.  
11 1331(a))” after “Islands”.

12 (b) EFFECTIVE DATE.—The amendment made by  
13 this section shall apply to—

14 (1) declarations made after August 28, 2005,

15 or

16 (2) modifications made after such date with re-  
17 spect to declarations made after December 31, 2003.

18 **SEC. 206. EXPEDITED PAYMENTS OF FEDERAL ASSISTANCE**  
19 **FOR DEBRIS REMOVAL AND EMERGENCY**  
20 **PROTECTIVE MEASURES.**

21 (a) DEFINITIONS.—In this section:

22 (1) ELIGIBLE APPLICANT.—The term “eligible  
23 applicant” means—

24 (A) a State government;

25 (B) a local government;.

1 (C) a private nonprofit organization or in-  
2 stitution that owns or operates any private non-  
3 profit educational, utility, emergency, medical,  
4 or custodial care facility, including a facility for  
5 the aged or disabled, or any other facility pro-  
6 viding essential governmental services to the  
7 general public, and such facilities on Indian res-  
8 ervations; and

9 (D) an Indian tribe or authorized tribal or-  
10 ganization, or an Alaska Native village or orga-  
11 nization (other than an Alaska Native Corpora-  
12 tion), the ownership of which is vested in a pri-  
13 vate individual.

14 (2) ELIGIBLE CLAIM FOR ASSISTANCE.—The  
15 term “eligible claim for assistance” means—

16 (A) a claim for the clearance, removal, or  
17 disposal of debris (such as trees, sand, gravel,  
18 building components, wreckage, vehicles, and  
19 personal property), if the debris is the result of  
20 an emergency or major disaster and the clear-  
21 ance, removal, or disposal is necessary—

22 (i) to eliminate an immediate threat,  
23 as determined by the Secretary of Home-  
24 land Security, to human life, public health,  
25 or safety;

1 (ii) to eliminate an immediate threat,  
2 as determined by the Secretary, of signifi-  
3 cant damage to public or private property;

4 (iii) to ensure the economic recovery  
5 of the community affected by the emer-  
6 gency or major disaster to the benefit of  
7 the community and any other community,  
8 as determined by the Secretary; or

9 (iv) to ensure the provision of tem-  
10 porary public transportation service in the  
11 community affected by the emergency or  
12 major disaster pursuant to section 419 of  
13 the Robert T. Stafford Disaster and Emer-  
14 gency Assistance Act (42 U.S.C. 5186);

15 (B) an action taken by an applicant before,  
16 during, or after an emergency or major disaster  
17 that is necessary—

18 (i) to eliminate or reduce an imme-  
19 diate threat, as determined by the Sec-  
20 retary of Homeland Security, to human  
21 life, public health, or safety; or

22 (ii) to eliminate or reduce an imme-  
23 diate hazard, as determined by the Sec-  
24 retary, that threatens significant damage  
25 to public or private property; or

1           (C) any other claim that the Secretary of  
2           Homeland Security determines to be appro-  
3           priate.

4           (3) EMERGENCY.—The term “emergency” has  
5           the meaning given the term in section 102 of the  
6           Robert T. Stafford Disaster and Emergency Assist-  
7           ance Act (42 U.S.C. 5122).

8           (4) MAJOR DISASTER.—The term “major dis-  
9           aster” has the meaning given the term in section  
10          102 of the Robert T. Stafford Disaster and Emer-  
11          gency Assistance Act (42 U.S.C. 5122).

12          (b) EXPEDITED PAYMENTS AUTHORIZED.—Notwith-  
13          standing the Robert T. Stafford Disaster Relief and  
14          Emergency Assistance Act (42 U.S.C. 5121 et seq.) (in-  
15          cluding any regulation promulgated pursuant to that Act),  
16          the Secretary of Homeland Security, acting through the  
17          Director of the Federal Emergency Management Agency,  
18          shall pay to an eligible applicant, in accordance with sub-  
19          section (c), 50 percent of the Federal share of assistance  
20          that the applicant is eligible to receive under section  
21          403(b), 407(d), or 503 of that Act (42 U.S.C. 5170b(b),  
22          5173(d), 5193).

23          (c) DATE OF PAYMENT.—A claim described in sub-  
24          section (b) shall be paid not later than 60 days after the

1 date on which the applicant files an eligible claim for as-  
2 sistance.

3 **SEC. 207. REQUIREMENT TO ENSURE DEBRIS CLEARANCE,**  
4 **REMOVAL, AND DISPOSAL FROM EMERGENCY**  
5 **ACCESS ROADS.**

6 (a) DEFINITION OF EMERGENCY ACCESS ROAD.—In  
7 this section, the term “emergency access road” means a  
8 road that requires access by emergency personnel, includ-  
9 ing firefighters, police, emergency medical personnel, or  
10 any other entity identified by the Secretary of Homeland  
11 Security that provides an emergency service after a dec-  
12 laration of an emergency or major disaster (as defined in  
13 section 102 of the Robert T. Stafford Disaster Relief and  
14 Emergency Assistance Act (42 U.S.C. 5122)).

15 (b) REQUIREMENT.—Any reimbursement authorized  
16 under section 407 of the Robert T. Stafford Disaster Re-  
17 lief and Emergency Assistance Act (42 U.S.C. 5173) for  
18 clearing and removing debris shall include reimbursement  
19 for clearing, removing, and disposing of debris from any  
20 emergency access road.



1 **SEC. 208. INCLUSION OF DEBRIS REMOVAL FROM PRIVATE**  
2 **LAND AS ELIGIBLE CLAIM FOR FEDERAL AS-**  
3 **SISTANCE.**

4 Section 408(c)(2)(A) of the Robert T. Stafford Dis-  
5 aster Relief and Emergency Assistance Act (42 U.S.C.  
6 5174(c)(2)(A)) is amended—

7 (1) in clause (i), by striking “and” at the end;

8 (2) in clause (ii), by striking the period at the  
9 end and inserting “; and”; and

10 (3) by inserting after clause (ii) the following:

11 “(iii) the removal, clearance, and dis-  
12 posal of debris from private property that  
13 is the result of an emergency or major dis-  
14 aster.”.

15 **SEC. 209. STAFFORD ACT WAIVER.**

16 (a) **IN GENERAL.**—Notwithstanding any other provi-  
17 sion of law, the Secretary of Homeland Security, acting  
18 through the Director of the Federal Emergency Manage-  
19 ment Agency (referred to in this section as the “Sec-  
20 retary”), shall directly reimburse, on an ongoing basis, all  
21 costs associated with the restoration, reconstruction, reha-  
22 bilitation, or installation of privately-owned utility infra-  
23 structure damaged or destroyed by Hurricane Katrina, in-  
24 cluding—

25 (1) electric transmission, distribution, genera-  
26 tion, and related electric infrastructure facilities in

1 the State of Louisiana (including the city of New  
2 Orleans); and

3 (2) natural gas distribution facilities in Lou-  
4 isiana.

5 (b) DISTRIBUTION OF FUNDS.—

6 (1) DOCUMENTATION.—The Secretary shall  
7 provide reimbursement under this section directly to  
8 the affected, privately-owned utilities upon receipt of  
9 reasonable documentation of costs and expenses in-  
10 curred by the utilities.

11 (2) PRESUMPTION AND DISTRIBUTION.—In the  
12 absence of a finding of good cause, the Secretary  
13 shall—

14 (A) presume documentation received under  
15 paragraph (1) not later than December 1,  
16 2005, to be valid; and

17 (B) distribute funds in accordance with  
18 this section not later than December 31, 2005.

19 (3) LATE RECEIPT OF DOCUMENTATION.—To  
20 the extent that documentation is received by the  
21 Secretary under paragraph (1) after December 1,  
22 2005, in the absence of a finding of good cause, the  
23 Secretary shall—

24 (A) presume the documentation to be valid;  
25 and

1 (B) distribute funds in accordance with  
2 this section not later than 60 days after the  
3 date of receipt of the documentation.

4 (4) FINDING OF GOOD CAUSE.—

5 (A) IN GENERAL.—In carrying out this  
6 subsection, the Secretary shall—

7 (i) have a 5-day period, beginning on  
8 the date of receipt of documentation under  
9 paragraph (2) or (3), to make a finding of  
10 good cause to withhold funds under this  
11 section with respect to the whole or partial  
12 adequacy of the documentation; and

13 (ii) immediately provide notice of such  
14 a finding to the privately-owned utility that  
15 submitted the documentation.

16 (B) CONTENTS OF NOTICE; WITHHOLDING  
17 OF FUNDS.—The Secretary—

18 (i) shall include in a notice provided  
19 under subparagraph (A)(ii) a specific de-  
20 scription of the supplemental documenta-  
21 tion required to address the finding of  
22 good cause with respect to the documenta-  
23 tion originally submitted; and

24 (ii) shall not withhold distribution of  
25 funds under this section with respect to

1 any portion of a submission of documenta-  
2 tion under paragraph (2) or (3) that is not  
3 subject to a finding of good cause by the  
4 Secretary.

5 (C) PROVISION OF SUPPLEMENTAL DOCU-  
6 MENTATION.—A privately-owned utility shall  
7 have a 5-day period, beginning on the date of  
8 receipt of notice of a finding of good cause  
9 under subparagraph (A)(ii), to provide supple-  
10 mental documentation.

11 (D) DISTRIBUTION AFTER RECEIPT.—The  
12 Secretary shall have a 15-day period, beginning  
13 on the date of receipt of appropriate supple-  
14 mental documentation under subparagraph (C),  
15 to distribute funds under this section.

16 (e) NO EFFECT ON OTHER ASSISTANCE.—No dis-  
17 tribution of funds under this section shall reduce or other-  
18 wise affect the amount of any other funds or assistance  
19 provided to the State of Louisiana (including the city of  
20 New Orleans) in connection with Hurricane Katrina under  
21 any other provision of law.

1 **Subtitle B—Providing Information**  
2 **and Assistance to Hurricane**  
3 **Katrina Evacuees**

4 **SEC. 211. USE OF DISASTER RELIEF AND EMERGENCY AS-**  
5 **SISTANCE FUNDS BY INDIVIDUALS AND**  
6 **HOUSEHOLDS.**

7 (a) IN GENERAL.—Not later than 1 year after the  
8 date of enactment of this Act, the Secretary of Homeland  
9 Security shall establish a review system to ensure that  
10 Federal assistance to individuals and households for dis-  
11 aster relief and emergency assistance under section 408  
12 of the Robert T. Stafford Disaster Relief and Emergency  
13 Assistance Act (42 U.S.C. 5174) or any other provision  
14 of law, is used by individuals and households only for pur-  
15 poses authorized by that section or provision.

16 (b) SENSE OF THE SENATE ON PROHIBITION OF  
17 USE.—It is the sense of the Senate that no Federal assist-  
18 ance (including Federal funds) to individuals and house-  
19 holds for disaster relief and emergency assistance under  
20 section 408 of the Robert T. Stafford Disaster Relief and  
21 Emergency Assistance Act (42 U.S.C. 5174) or any other  
22 provision of law should be used for gambling purposes in  
23 any gambling establishment or for purchase of non-  
24 essential items, including tobacco products or alcoholic  
25 beverages.

1                   **Subtitle C—Emergency**  
2                   **Preparedness and Response**

3 **SEC. 221. CREATION OF REGIONAL AND FIELD OFFICE FA-**  
4                   **CILITIES FOR THE DEPARTMENT OF HOME-**  
5                   **LAND SECURITY.**

6           (a) IN GENERAL.—Not later than 365 days after the  
7 date of enactment of this Act, the Secretary of Homeland  
8 Security shall establish consolidated and co-located re-  
9 gional offices for the Department of Homeland Security,  
10 in accordance with section 706 of the Homeland Security  
11 Act of 2002 (6 U.S.C. 346), that will—

12                   (1) enable a rapid, robust, and coordinated  
13 Federal response to threats and incidents;

14                   (2) enhance all-hazards preparedness across the  
15 United States with respect to terrorism, natural dis-  
16 asters, and other emergencies;

17                   (3) provide integrated capabilities among the  
18 Department of Homeland Security, other Federal  
19 agencies, and State and local governments;

20                   (4) maximize cost savings and efficiencies  
21 through the establishment of regional offices at cur-  
22 rent Department of Homeland Security agency re-  
23 gional structures with contiguous multi-State oper-  
24 ations; and



1 Louisiana Commission on Law Enforcement for imple-  
2 mentation of the Louisiana Totally Interoperable Environ-  
3 ment (LATIE) plan.

4 (b) GUIDANCE AND TECHNICAL ASSISTANCE.—The  
5 Office for Interoperability and Compatibility of the De-  
6 partment of Homeland Security shall provide guidance  
7 and technical assistance to grant recipients to best utilize  
8 grant funds under this section.

9 **SEC. 223. RESPONSIBILITIES OF THE UNDER SECRETARY**  
10 **FOR EMERGENCY PREPAREDNESS AND RE-**  
11 **SPONSE.**

12 Section 502 of the Homeland Security Act of 2002  
13 (6 U.S.C. 312) is amended—

14 (1) in paragraph (6), by striking “and” after  
15 the semicolon;

16 (2) in paragraph (7), by striking the period and  
17 inserting a colon; and

18 (3) by adding at the end the following:

19 “(8) designing, developing, performing, and  
20 evaluating disaster preparedness exercises at the Na-  
21 tional, State, territorial, regional, local, and tribal  
22 levels of government; and

23 “(9) ensuring that such exercises test the capa-  
24 bility of the Nation to prevent, prepare for, respond  
25 to, and recover from natural disasters.”.



1 **SEC. 224. GOVERNMENT ACCOUNTABILITY OFFICE REPORT**  
2 **ON FEDERAL FUNDS FOR HURRICANE**  
3 **KATRINA RECOVERY.**

4 (a) **IN GENERAL.**—Every calendar quarter, the Gov-  
5 ernment Accountability Office shall submit a report to  
6 Congress on the expenditure and obligation of funds made  
7 from appropriations Acts for Hurricane Katrina recovery  
8 activities. Each report shall include any fraud, abuse,  
9 waste, or mismanagement of such funds.

10 (b) **FIRST REPORT.**—The first report under this sec-  
11 tion shall be submitted for the first complete calendar  
12 quarter occurring after the date of enactment of this Act.

13 **TITLE III—INDIVIDUAL CITIZENS**  
14 **RELIEF AND RECOVERY**  
15 **Subtitle A—Housing Relief**

16 **SEC. 301. HOUSING VOUCHERS.**

17 (a) **SHORT TITLE.**—This section may be cited as the  
18 “Helping to House the Victims of Hurricane Katrina Act  
19 of 2005”.

20 (b) **HURRICANE KATRINA EMERGENCY ASSISTANCE**  
21 **VOUCHERS.**—Section 8(o) of the United States Housing  
22 Act of 1937 (42 U.S.C. 1437f(o)) is amended by adding  
23 at the end the following:

24 “(20) **HURRICANE KATRINA EMERGENCY AS-**  
25 **SISTANCE VOUCHERS.**—

1           “(A) IN GENERAL.—During the 6-month  
2 period beginning on the date of enactment of  
3 the Helping to House the Victims of Hurricane  
4 Katrina Act of 2005, the Secretary shall pro-  
5 vide temporary rental assistance to any indi-  
6 vidual or family, if—

7           “(i) the individual or family resides,  
8 or resided on August 29, 2005, in any area  
9 that is subject to a declaration by the  
10 President of a major disaster or emergency  
11 under the Robert T. Stafford Disaster Re-  
12 lief and Emergency Assistance Act (42  
13 U.S.C. 5121 et seq.) in connection with  
14 Hurricane Katrina; and

15           “(ii) the residence of the individual or  
16 family became uninhabitable or inaccessible  
17 as result of that major disaster or emer-  
18 gency.

19           “(B) REGULATIONS.—Not later than 30  
20 days after the date of enactment of the Helping  
21 to House the Victims of Hurricane Katrina Act  
22 of 2005, the Secretary shall issue final rules to  
23 establish the procedures applicable to the  
24 issuance of assistance under subparagraph (A).

1           “(C) NOTICE.—The Secretary, in consulta-  
2           tion with the Director of the Federal Emer-  
3           gency Management Agency and such other  
4           agencies as the Secretary determines appro-  
5           priate, shall establish procedures for providing  
6           notice of the availability of assistance under  
7           this paragraph to individuals or families that  
8           may be eligible for such assistance.

9           “(D) AUTHORITY TO CONTRACT WITH  
10          PHA’S AND OTHERS.—The Secretary may con-  
11          tract with any State or local government agency  
12          or public housing agency, or in consultation  
13          with any State or local government agency, with  
14          any other entity, to ensure that assistance pay-  
15          ments under this paragraph are provided in an  
16          efficient and expeditious manner.

17          “(E) WAIVER OF ELIGIBILITY REQUIRE-  
18          MENTS.—In providing assistance under this  
19          paragraph, the Secretary shall waive the re-  
20          quirements under—

21                 “(i) paragraph (2), relating to tenant  
22                 contributions towards rent, except that any  
23                 such waiver shall expire on an individual’s  
24                 return to work;

1 “(ii) paragraph (4), relating to the eli-  
2 gibility of individuals to receive assistance;

3 “(iii) subsection (k) and paragraph  
4 (5) of this subsection, relating to  
5 verification of income;

6 “(iv) paragraph (7)(A), relating to the  
7 requirement that leases shall be for a term  
8 of 1 year;

9 “(v) paragraph (8), relating to initial  
10 inspection of housing units by a public  
11 housing agency; and

12 “(vi) subsection (r)(1)(B), relating to  
13 restrictions on portability.

14 “(F) USE OF FUNDS.—Notwithstanding  
15 any other provision of law, funds available for  
16 assistance under this paragraph—

17 “(i) shall be made available by the  
18 Secretary to individuals to cover the cost  
19 of—

20 “(I) rent;

21 “(II) security and utility depos-  
22 its;

23 “(III) relocation expenses, includ-  
24 ing expenses incurred in relocating

1 back to the major disaster area when  
2 such relocation is permitted; and

3 “(IV) such additional expenses as  
4 the Secretary determines necessary;  
5 and

6 “(ii) shall be used by the Secretary—

7 “(I) for payments to public hous-  
8 ing agencies, State or local govern-  
9 ment agencies, or other voucher ad-  
10 ministrators for vouchers used to as-  
11 sist individuals or families affected by  
12 the major disaster or emergency de-  
13 scribed in this paragraph up to their  
14 authorized level of vouchers, if any  
15 such vouchers are not otherwise fund-  
16 ed; and

17 “(II) to provide operating sub-  
18 sidies to public housing agencies for  
19 public housing units provided to indi-  
20 viduals or families affected by the  
21 major disaster or emergency described  
22 in this paragraph, if such a subsidy  
23 was not previously provided for those  
24 units.

1           “(G) PAYMENT STANDARD.—For purposes  
2 of this paragraph, the payment standard for  
3 each size of dwelling unit in a market area may  
4 not exceed 150 percent, or higher if the Sec-  
5 retary approves of such increase, of the fair  
6 market rental established under subsection (c)  
7 for the same size dwelling unit in the same  
8 market area, and shall be not less than 90 per-  
9 cent of that fair market rental.

10           “(H) NONDISCRIMINATION.—In selecting  
11 individuals or families for tenancy, a landlord  
12 or owner may not exclude or penalize an indi-  
13 vidual or family solely because any portion of  
14 the rental payment of that individual or family  
15 is provided under this paragraph.

16           “(I) TERMINATION OF ASSISTANCE.—As-  
17 sistance provided under this paragraph shall  
18 terminate 6 months after the date on which  
19 such assistance was received.

20           “(21) ASSISTANCE FOR CURRENT VOUCHER RE-  
21 CIPIENTS AFFECTED BY HURRICANE KATRINA.—

22           “(A) IN GENERAL.—The Secretary shall  
23 waive any of the requirements described in  
24 clauses (i) through (vi) of paragraph (20)(E)

1 for any individual or family receiving assistance  
2 under this section on August 29, 2005, if—

3 “(i) the individual or family resides,  
4 or resided on August 29, 2005, in any area  
5 that is subject to a declaration by the  
6 President of a major disaster or emergency  
7 under the Robert T. Stafford Disaster Re-  
8 lief and Emergency Assistance Act (42  
9 U.S.C. 5121 et seq.) in connection with  
10 Hurricane Katrina; and

11 “(ii) the residence of the individual or  
12 family became uninhabitable or inaccessible  
13 as result of that major disaster or emer-  
14 gency.

15 “(B) ADDITIONAL USES OF FUNDS.—Not-  
16 withstanding any other provision of law, the  
17 Secretary shall provide, as the Secretary deter-  
18 mines appropriate, supplemental assistance to  
19 an individual or family receiving assistance  
20 under this section on August 29, 2005, and  
21 meeting the requirements described in subpara-  
22 graph (A), to assist the individual or family  
23 with the additional costs of relocating to new  
24 housing, including to cover—

1                   “(i) the additional cost of rent and  
2                   utilities;

3                   “(ii) security and utility deposits;

4                   “(iii) relocation expenses, including  
5                   expenses incurred in relocating back to the  
6                   major disaster area when such relocation is  
7                   permitted; and

8                   “(iv) such additional expenses as the  
9                   Secretary determines necessary.

10                  “(C) PAYMENT STANDARD.—For purposes  
11                  of this paragraph, the payment standard for  
12                  each size of dwelling unit in a market area may  
13                  not exceed 150 percent, or higher if the Sec-  
14                  retary approves of such increase, of the fair  
15                  market rental established under subsection (c)  
16                  for the same size dwelling unit in the same  
17                  market area, and shall be not less than 90 per-  
18                  cent of that fair market rental.

19                  “(D) NONDISCRIMINATION.—A landlord or  
20                  owner may not exclude or penalize an individual  
21                  or family solely because that individual or fam-  
22                  ily is eligible for any waivers or benefits pro-  
23                  vided under this paragraph.

24                  “(E) TERMINATION OF AUTHORITY.—The  
25                  authority of the Secretary to provide assistance



1 under this paragraph shall apply during the 6-  
2 month period beginning on the date of enact-  
3 ment of the Helping to House the Victims of  
4 Hurricane Katrina Act of 2005.

5 “(22) AUTHORITY OF THE SECRETARY TO DI-  
6 RECTLY ADMINISTER VOUCHERS WHEN PHA’S ARE  
7 UNABLE TO DO SO.—If the Secretary determines  
8 that a public housing agency is unable to implement  
9 the provisions of this subsection due to the effects  
10 of Hurricane Katrina, the Secretary may—

11 “(A) directly administer any voucher pro-  
12 gram described in paragraphs (1) through (20);  
13 and

14 “(B) perform the functions assigned to a  
15 public housing agency by this subsection.”.

16 (c) REPORT ON INVENTORY OF AVAILABILITY OF  
17 TEMPORARY HOUSING.—Not later than 10 days after the  
18 date of enactment of this Act, the Secretary of Defense,  
19 the Administrator of the General Services Administration,  
20 the Secretary of Agriculture, and such other agency heads  
21 as the Secretary of Housing and Urban Development de-  
22 termines appropriate, shall compile and report to the Sec-  
23 retary of Housing and Urban Development an inventory  
24 of Federal civilian and defense facilities that can be  
25 used—

1 (1) to provide emergency housing; or

2 (2) as locations for the construction or deploy-  
3 ment of temporary housing units.

4 (d) APPROPRIATION OF FUNDING.—

5 (1) IN GENERAL.—There are authorized to be  
6 appropriated and are appropriated \$3,500,000,000  
7 to provide assistance under this section.

8 (2) EMERGENCY DESIGNATION.—The amount  
9 appropriated under paragraph (1) is designated as  
10 an emergency requirement pursuant to section 402  
11 of H. Con. Res. 95 (109th Congress).

12 **SEC. 302. HOME PROGRAM.**

13 (a) WAIVER OF INCOME AND RENT REQUIREMENTS  
14 UNDER HOME PROGRAM.—For purposes of eligibility for  
15 occupancy, and the amount of rent paid for such occu-  
16 pancy, in housing assisted under subtitles A through D  
17 of title II of the Cranston-Gonzalez National Affordable  
18 Housing Act (42 U.S.C. 12721 et seq.), in the case of  
19 any family displaced as a result of Hurricane Katrina, for  
20 the 6-month period that begins upon the initial occupancy  
21 of such family in such housing—

22 (1) no provision of such title establishing a limi-  
23 tation on the income of an eligible family shall  
24 apply; and

1           (2) no provision of such title establishing or re-  
2           quiring a rental payment by an eligible family resid-  
3           ing in housing assisted under such subtitle shall  
4           apply.

5           (b) **SUSPENSION OF MATCHING CONTRIBUTION RE-**  
6 **QUIREMENT UNDER HOME PROGRAM.**—Notwithstanding  
7 any provision of section 220 of the Cranston-Gonzalez Na-  
8 tional Affordable Housing Act (42 U.S.C. 12750), the re-  
9 quirement under subsection (a) of such section to make  
10 contributions shall not apply with respect to the State of  
11 Louisiana or any communities in such State impacted by  
12 Hurricane Katrina for funds allocated in fiscal years 2005  
13 and 2006.

14 **SEC. 303. FIRST TIME HOME BUYER EXPANSION.**

15           Notwithstanding any other provision of law, for pur-  
16 poses of the second sentence of subparagraph (A) of sec-  
17 tion 203(c)(2) of the National Housing Act (12 U.S.C.  
18 1709(c)(2)(A)), any family that is displaced as a result of  
19 Hurricane Katrina shall be considered until December 31,  
20 2007, to be a first-time homebuyer who has completed a  
21 program of counseling with respect to the responsibilities  
22 and financial management involved in homeownership that  
23 is approved by the Secretary of Housing and Urban Devel-  
24 opment.

1 **SEC. 304. HOME BUSINESS AND MORTGAGE PROTECTION**  
2 **FUND.**

3 (a) ESTABLISHMENT.—There is established in the  
4 Treasury of the United States the Home Business and  
5 Mortgage Protection Fund (hereafter referred to in this  
6 section as the “Fund”).

7 (b) GRANTS AUTHORIZED.—

8 (1) IN GENERAL.—The Secretary of Housing  
9 and Urban Development is authorized to award  
10 grants from the Fund only for the purposes de-  
11 scribed in subsection (d).

12 (2) CAP ON GRANTS.—For each missed, past  
13 due, or late mortgage payment for which an eligible  
14 financial institution seeks a grant under this section,  
15 the Secretary shall not award amounts out of the  
16 Fund to such financial institution for such mortgage  
17 payments in cumulative excess of an amount equal  
18 to the sum of 6 times the value of such mortgage  
19 payment.

20 (3) AVAILABILITY OF GRANTS.—The authority  
21 of the Secretary to make grants under this section  
22 shall terminate on the date that is 1 year after the  
23 date of enactment of this Act.

24 (c) APPLICATION.—

25 (1) IN GENERAL.—An eligible financial institu-  
26 tion seeking a grant under this section shall submit

1 an application to the Secretary of Housing and  
2 Urban Development at such time, in such manner,  
3 and containing such information as the Secretary  
4 may require, including providing proper documenta-  
5 tion to the Secretary that—

6 (A) such financial institution is the holder  
7 of a mortgage;

8 (B) mortgage payments have not been re-  
9 ceived by such financial institution from a  
10 mortgagee;

11 (C) a mortgagee was unable to pay such  
12 mortgage payments due to financial hardship;

13 (D) the property on which the mortgage is  
14 held is located in an affected area;

15 (E) after August 26, 2005, the mortgagee  
16 missed at least 2 consecutive mortgage pay-  
17 ments, inclusive of all applicable grace periods;  
18 and

19 (F) such financial institution has not initi-  
20 ated any foreclosure proceeding against any  
21 property held by a mortgagee for which the fi-  
22 nancial institution is seeking a grant.

23 (2) FINANCIAL HARDSHIP DEFINED.—

24 (A) IN GENERAL.—Not later than 30 days  
25 after the date of enactment of this Act, the Sec-

1           retary shall issue regulations setting forth the  
2           definition of financial hardship under para-  
3           graph (1)(C).

4                   (B) REQUIRED CONTENT.—The definition  
5           required under subparagraph (A) shall in-  
6           clude—

7                           (i) complete destruction of a mortga-  
8                           gee’s—

9   (I) home;

10    (II) business; or

11   (III) place of business or employ-  
12   ment site; and

13   (ii) the fact that such mortgagee is  
14   now unemployed due to Hurricane  
15   Katrina.

16           (d) USE OF FUNDS.—Amounts in the Fund may only  
17           be used to provide grants to eligible financial institutions  
18           to reimburse such financial institutions for missed, past  
19           due, or late mortgage payments owed to such financial in-  
20           stitutions on properties located in an affected area.

21           (e) FORECLOSURE.—

22                   (1) IN GENERAL.—An eligible financial institu-  
23           tion that does not seek a grant under this section,  
24           and initiates a foreclosure proceeding against any  
25           property held by a mortgagee in an affected area

1       may not foreclose on such property, if the mortgagee  
2       can provide evidence of financial hardship as defined  
3       under subsection (c)(2).

4               (2) REIMBURSEMENT FROM FUND.—If an eligi-  
5       ble financial institution is unable to foreclose under  
6       paragraph (1), such financial institution may seek a  
7       grant under this section for reimbursement of the  
8       missed, past due, or late mortgage payments leading  
9       to foreclosure notwithstanding the requirement  
10      under subsection (c)(1)(F).

11              (3) LIMITATION.—An eligible financial institu-  
12      tion shall not be allowed to seek a grant for missed,  
13      past due, or late mortgage payments under this sec-  
14      tion for any foreclosure proceeding initiated prior to  
15      August 26, 2005.

16              (f) CREDIT PROTECTION.—Any failure by a mort-  
17      gagee to make a mortgage payment on any property lo-  
18      cated in an affected area shall not be reported to any con-  
19      sumer reporting agency, as such term is defined under sec-  
20      tion 603 of the Fair Credit Reporting Act (15 U.S.C.  
21      1681a).

22              (g) DEPOSITS.—

23                      (1) IN GENERAL.—The Secretary of the Treas-  
24      ury shall transfer up to \$5,000,000,000 from the

1       general fund of the Treasury to the Fund to permit  
2       the implementation of this section.

3           (2) INVESTMENT.—To the extent that amounts  
4       in the Fund at any time exceed the immediate needs  
5       of the Fund, the excess shall be invested in short  
6       term obligations of the United States.

7           (3) INTEREST.—To the extent that interest ac-  
8       crues on any funds invested under paragraph (2),  
9       that interest shall be made available for the pur-  
10      poses of this section.

11          (h) REVERSION OF FUNDS TO THE TREASURY.—Any  
12      amounts in the Fund that are unexpended and unobli-  
13      gated after March 30, 2007, shall be covered into the gen-  
14      eral fund of the Treasury as miscellaneous receipts and  
15      the Fund shall be terminated.

16          (i) REGULATIONS.—Not later than 30 days after the  
17      date of enactment of this Act, the Secretary of Housing  
18      and Urban Development shall issue regulations necessary  
19      to carry out the administration of this section and to en-  
20      sure that the purposes of this section are accomplished.

21          (j) ELIGIBLE FINANCIAL INSTITUTION.—The term  
22      “eligible financial institution” means any commercial  
23      bank, community bank, mortgage bank, credit union, or  
24      any other lender approved by the Secretary of Housing



1 and Urban Development as eligible for insurance under  
2 section 2 of the National Housing Act (12 U.S.C. 1703).

3 **SEC. 305. COMMUNITY DEVELOPMENT BLOCK GRANT PRO-**  
4 **GRAM.**

5 (a) INCREASE OF MAXIMUM PROJECT ASSISTANCE  
6 AMOUNT UNDER CDBG PROGRAM.—Notwithstanding  
7 any other provision of law, \$10,000,000 shall be available  
8 for any project assisted or to be assisted with amounts  
9 made available in fiscal year 2005, 2006, or 2007 under  
10 the community development block grant program under  
11 title I of the Housing and Community Development Act  
12 of 1974 (42 U.S.C. 5301 et seq.) and where such project  
13 is carried out within an affected area.

14 (b) REGULATORY FLEXIBILITY UNDER CDBG PRO-  
15 GRAM.—In administering any amounts made available  
16 under the community development block grant program  
17 under title I of the Housing and Community Development  
18 Act of 1974 for fiscal year 2005 or 2006 within declared  
19 disaster areas—

20 (1) the Secretary may waive any provision of  
21 any statute or regulation that the Secretary admin-  
22 isters in connection with obligation by the Secretary  
23 or any use by any recipient of such amounts; and

24 (2) the requirements of such title regarding use  
25 of funds made available under such title for activi-

1 ties that benefit persons of low and moderate income  
2 shall not apply.

3 **SEC. 306. RURAL HOUSING AND ECONOMIC DEVELOPMENT**  
4 **PROGRAM.**

5 In carrying out the Rural Housing and Economic De-  
6 velopment program of the Department of Housing and  
7 Urban Development, the Secretary of Housing and Urban  
8 Development shall waive, with respect to any assistance  
9 provided during fiscal year 2005 or 2006 under such pro-  
10 gram for any activities carried out within any affected  
11 area—

12 (1) any limitation on the income of persons as-  
13 sisted under such program; and

14 (2) any requirement on the part of a grantee to  
15 provide matching amounts or to make contributions  
16 to activities assisted with amounts provided under  
17 such program.

18 **SEC. 307. DEFINITIONS.**

19 For purposes of the preceding six sections, the term  
20 “affected area” means any area—

21 (1) for which the President has declared a  
22 major disaster pursuant to title IV of the Robert T.  
23 Stafford Disaster Relief and Emergency Assistance  
24 Act as a result of Hurricane Katrina; or

1 (2) that is determined to be eligible for disaster  
2 relief under other Federal law by reason of damage  
3 related to Hurricane Katrina.

## 4 **Subtitle B—TANF Relief**

### 5 **SEC. 311. REIMBURSEMENT OF STATES FOR TANF BENE-** 6 **FITS PROVIDED TO ASSIST FAMILIES FROM** 7 **OTHER STATES AFFECTED BY HURRICANE** 8 **KATRINA.**

9 (a) IN GENERAL.—Section 3 of the TANF Emer-  
10 gency Response and Recovery Act of 2005 is amended to  
11 read as follows:

### 12 **“SEC. 3. REIMBURSEMENT OF STATES FOR TANF BENEFITS** 13 **PROVIDED TO ASSIST FAMILIES FROM** 14 **OTHER STATES AFFECTED BY HURRICANE** 15 **KATRINA.**

16 “(a) ELIGIBILITY FOR PAYMENTS FROM THE CON-  
17 TINGENCY FUND.—

18 “(1) PERIOD OF APPLICABILITY.—Beginning  
19 with August 29, 2005, and ending with September  
20 30, 2006, a State described in paragraph (2) or (3)  
21 shall be considered a needy State for purposes of  
22 section 403(b) of the Social Security Act.

23 “(2) DIRECT IMPACT STATE.—A State de-  
24 scribed in this paragraph is Louisiana.

1           “(3) OTHER STATES.—A State is described in  
2 this paragraph if the State provides any benefit or  
3 service that may be provided under the State pro-  
4 gram funded under part A of title IV of the Social  
5 Security Act to a family which—

6                   “(A) has resided in a direct impact State;

7           and

8                   “(B) has travelled (not necessarily directly)  
9 to the State from such direct impact State as  
10 a result of the hurricane.

11       “(b) MONTHLY PAYMENTS.—

12           “(1) IN GENERAL.—Notwithstanding section  
13 403(b)(3)(C)(i) of the Social Security Act, the total  
14 amount paid during a month to a State described  
15 in—

16                   “(A) subsection (a)(2), shall not exceed  $\frac{1}{4}$   
17 of 20 percent of the State family assistance  
18 grant; and

19                   “(B) subsection (a)(3), shall not exceed the  
20 lesser of—

21                           “(i) total amount of benefits or serv-  
22 ices provided under the State program  
23 funded under part A of title IV of the So-  
24 cial Security Act to families described in  
25 subsection (a)(3); or

1                   “(ii) ¼ of 20 percent of the State  
2                   family assistance grant.

3           “(c) NO STATE MATCH OR MAINTENANCE OF EF-  
4 FORT REQUIRED.—Sections 403(b)(6) and 409(a)(10) of  
5 the Social Security Act shall not apply with respect to a  
6 payment made to a State by reason of this section.

7           “(d) INCREASE IN FUNDING TO THE EXTENT NEC-  
8 ESSARY.—During the period described in subsection  
9 (a)(1), section 403(b)(2) of the Social Security Act (42  
10 U.S.C. 603(b)(2)) shall be applied without regard to the  
11 limitation on the total amount specified in that section.”.

12           (b) RETROACTIVE EFFECTIVE DATE.—The amend-  
13 ment made by subsection (a) shall take effect as if in-  
14 cluded in the enactment of the TANF Emergency Re-  
15 sponse and Recovery Act of 2005.

16 **SEC. 312. INCREASE IN AMOUNT OF ADDITIONAL TANF**  
17 **FUNDS AVAILABLE FOR HURRICANE-DAM-**  
18 **AGED STATES.**

19           (a) IN GENERAL.—Section 4 of the TANF Emer-  
20 gency Response and Recovery Act of 2005 is amended—

21                   (1) in subsection (a)(2), by striking “20 per-  
22 cent” and inserting “40 percent”; and

23                   (2) in subsection (b), in the matter preceding  
24 paragraph (1), by inserting “(at any time during or

1 after the period described in section 3(a)(1))” after  
2 “may not be imposed”.

3 (b) **RETROACTIVE EFFECTIVE DATE.**—The amend-  
4 ments made by subsection (a) shall take effect as if in-  
5 cluded in the enactment of the TANF Emergency Re-  
6 sponse and Recovery Act of 2005.

7 **SEC. 313. WORK REQUIREMENTS AND TIME LIMITS UNDER**  
8 **TANF PROGRAM NOT TRIGGERED BY RE-**  
9 **CEIPT OF TEMPORARY TANF BENEFITS BY**  
10 **FAMILIES AFFECTED BY HURRICANE**  
11 **KATRINA.**

12 Benefits provided on a short-term, nonrecurring basis  
13 under a State program funded under part A of title IV  
14 of the Social Security Act, during the period that begins  
15 with the date of the enactment of this Act and ends with  
16 the end of fiscal year 2006, to meet a subsistence need  
17 of a family resulting from Hurricane Katrina shall not be  
18 considered assistance for purposes of sections 407 and  
19 408(a)(7) of the Social Security Act.

20 **SEC. 314. EMERGENCY DESIGNATION.**

21 Each amount provided in this title is designated as  
22 an emergency requirement pursuant to section 402 of H.  
23 Con. Res. 95 (109th Congress).

1     **Subtitle C—Medicaid, Medicare,**  
2     **and Other Health Disaster Relief**

3     **SEC. 321. DEFINITIONS.**

4         In this subtitle:

5             (1) DIRECT IMPACT PARISH.—

6                 (A) IN GENERAL.—The term “direct im-  
7                 pact parish” means a parish in the State of  
8                 Louisiana for which a major disaster has been  
9                 declared in accordance with section 401 of the  
10                Robert T. Stafford Disaster Relief and Emer-  
11                gency Assistance Act (42 U.S.C. 5170) as a re-  
12                sult of Hurricane Katrina and which the Presi-  
13                dent has determined, before September 14,  
14                2005, warrants individual and public assistance  
15                from the Federal Government under such Act.

16                (B) EXCLUSION.—Such term does not in-  
17                clude a parish in the State of Louisiana which  
18                the President has determined warrants only  
19                public assistance from the Federal Government  
20                under such Act as a result of Hurricane  
21                Katrina.

22                (C) AUTHORITY TO RELY ON WEBSITE  
23                POSTED DESIGNATIONS.—The Secretary of  
24                Health and Human Services shall post on the  
25                Internet website for the Centers for Medicare &

1 Medicaid Services a list of parishes and coun-  
2 ties identified as direct impact parishes in ac-  
3 cordance with this paragraph. Any such parish  
4 that is posted on such website as a direct im-  
5 pact parish shall be treated for purposes of sub-  
6 paragraph (A) as described in such subpara-  
7 graph.

8 (2) DRM COVERAGE PERIOD.—

9 (A) IN GENERAL.—The term “DRM cov-  
10 erage period” means the period beginning on  
11 August 28, 2005, and, subject to subparagraph  
12 (B), ending on the date that is 5 months after  
13 the date of enactment of this Act.

14 (B) PRESIDENTIAL AUTHORITY TO EX-  
15 TEND DRM COVERAGE PERIOD.—

16 (i) IN GENERAL.—The President may  
17 extend the DRM coverage period for an  
18 additional 5 months. Any reference to the  
19 term “DRM coverage period” in this title  
20 shall include any extension under this  
21 clause.

22 (ii) NOTICE TO CONGRESS AND  
23 STATES.—The President shall notify the  
24 Majority and Minority Leaders of the Sen-  
25 ate, the Speaker of the House of Rep-



1           representatives, the Minority Leader of the  
2           House of Representatives, the Chairs and  
3           Ranking Members of the Committee on Fi-  
4           nance of the Senate and the Committees  
5           on Energy and Commerce and Ways and  
6           Means of the House of Representatives,  
7           and the States at least 30 days prior to—

8                       (I) extending the DRM coverage  
9                       period; or

10                      (II) if the President determines  
11                      not to extend such period, the ending  
12                      date described in subparagraph (A).

13           (3) KATRINA SURVIVOR.—

14                       (A) IN GENERAL.—The term “Katrina  
15                       Survivor” means an individual who is described  
16                       in subparagraph (B) or (C).

17                       (B) RESIDENTS AND EVACUEES OF DIRECT  
18                       IMPACT PARISHES.—An individual who, on any  
19                       day during the week preceding August 28,  
20                       2005, had a primary residence in a direct im-  
21                       pact parish.

22                       (C) INDIVIDUALS WHO LOST EMPLOY-  
23                       MENT.—An individual whose—

1 (i) worksite, on any day during the  
2 week preceding August 28, 2005, was lo-  
3 cated in a direct impact parish; and

4 (ii) employment with an employer  
5 which conducted an active trade or busi-  
6 ness on August 28, 2005, in a direct im-  
7 pact parish and with respect to whom such  
8 trade or business is inoperable on any day  
9 after August 28, 2005, and before January  
10 1, 2006, as a result of damage sustained  
11 in connection with Hurricane Katrina, is  
12 terminated.

13 (D) TREATMENT OF CURRENT MEDICAID  
14 BENEFICIARIES.—Nothing in this title shall be  
15 construed as preventing an individual who is  
16 otherwise entitled to medical assistance under  
17 title XIX of the Social Security Act from being  
18 treated as a Katrina Survivor under this title.

19 (E) TREATMENT OF HOMELESS PER-  
20 SONS.—For purposes of this title, in the case of  
21 an individual who was homeless on any day  
22 during the week described in subparagraph (B),  
23 the individual’s “residence” shall be deemed to  
24 be the place of residence as otherwise deter-

1           mined for such an individual under title XIX of  
2           the Social Security Act.

3           (4) **POVERTY LINE.**—The term “poverty line”  
4           has the meaning given that term in section  
5           2110(c)(5) of the Social Security Act (42 U.S.C.  
6           1397jj(c)(5)).

7           (5) **SECRETARY.**—The term “Secretary” means  
8           the Secretary of Health and Human Services.

9           (6) **STATE.**—The term “State” has the mean-  
10          ing given that term for purposes of title XIX of the  
11          Social Security Act (42 U.S.C 1396 et seq.).

12 **SEC. 322. DISASTER RELIEF MEDICAID.**

13          (a) **AUTHORITY TO PROVIDE DISASTER RELIEF**  
14 **MEDICAID.**—Notwithstanding any provision of title XIX  
15 of the Social Security Act, a State shall, as a condition  
16 of participation in the Medicaid program established  
17 under title XIX of the Social Security Act (42 U.S.C.  
18 1396 et seq.), provide medical assistance to DRM-eligible  
19 Katrina Survivors (as defined in subsection (b)) under a  
20 State medicaid plan established under such title during  
21 the DRM coverage period in accordance with the following  
22 provisions of this section and without submitting an  
23 amendment to the State Medicaid plan. Such assistance  
24 shall be referred to as “DRM assistance”.

1 (b) DRM-ELIGIBLE KATRINA SURVIVOR DE-  
2 FINED.—

3 (1) IN GENERAL.—In this section, the term  
4 “DRM-eligible Katrina Survivor” means a Katrina  
5 Survivor whose family income does not exceed the  
6 higher of—

7 (A) 100 percent (200 percent, in the case  
8 of such a Survivor who is a pregnant woman,  
9 child, or a recipient of disability benefits under  
10 section 223 of the Social Security Act) of the  
11 poverty line; or

12 (B) the income eligibility standard which  
13 would apply to the Survivor under the State  
14 Medicaid plan.

15 (2) NO RESOURCES, RESIDENCY, OR CATEGOR-  
16 ICAL ELIGIBILITY REQUIREMENTS.—Eligibility  
17 under paragraph (1) shall be determined without ap-  
18 plication of any resources test, State residency, or  
19 categorical eligibility requirements.

20 (3) INCOME DETERMINATION.—

21 (A) LEAST RESTRICTIVE INCOME METH-  
22 ODOLOGIES.—The State shall use the least re-  
23 strictive methodologies applied under the State  
24 medicaid plan under section 1902(r)(2) of the  
25 Social Security Act (42 U.S.C. 1396a(r)(2)) in

1 determining income eligibility for Katrina Sur-  
2 vivors under paragraph (1).

3 (B) DISREGARD OF UI COMPENSATION  
4 AND DISASTER RELIEF ASSISTANCE.—In deter-  
5 mining such income eligibility, the State shall  
6 disregard—

7 (i) any amount received under a law  
8 of the United States or of a State which  
9 is in the nature of unemployment com-  
10 pensation by a Katrina Survivor during the  
11 DRM coverage period, including unemploy-  
12 ment assistance provided under section  
13 410 of the Robert T. Stafford Disaster Re-  
14 lief and Emergency Assistance Act (42  
15 U.S.C. 5177); and

16 (ii) any assistance provided (in cash  
17 or in kind) to a Katrina Survivor from any  
18 public or private entity as a result of Hur-  
19 ricane Katrina.

20 (4) DEFINITION OF CHILD.—For purposes of  
21 paragraph (1), a DRM-eligible Katrina Survivor  
22 shall be determined to be a “child” in accordance  
23 with the definition of “child” under the State Med-  
24 icaid plan.

1 (c) ELIGIBILITY DETERMINATION; NO CONTINU-  
2 ATION OF DRM ASSISTANCE.—

3 (1) STREAMLINED ELIGIBILITY PROCESS.—The  
4 State shall use the following streamlined procedures  
5 in processing applications and determining eligibility  
6 for DRM assistance for DRM-eligible Katrina Sur-  
7 vivors:

8 (A) A common 1-page application form de-  
9 veloped by the Secretary of Health and Human  
10 Services in consultation with the National Asso-  
11 ciation of State Medicaid Directors. Such form  
12 shall—

13 (i) require an applicant to provide an  
14 expected address for the duration of the  
15 DRM coverage period and to agree to up-  
16 date that information if it changes during  
17 such period;

18 (ii) include notice regarding the pen-  
19 alties for making a fraudulent application  
20 under subsection (h);

21 (iii) require the applicant to assign to  
22 the State any rights of the applicant (or  
23 any other person who is a DRM-eligible  
24 Katrina Survivor and on whose behalf the  
25 applicant has the legal authority to execute

1 an assignment of such rights) under any  
2 group health plan or other third-party cov-  
3 erage for health care; and

4 (iv) require the applicant to list any  
5 health insurance coverage which the appli-  
6 cant was enrolled in immediately prior to  
7 submitting such application.

8 (B) Self-attestation by the applicant that  
9 the applicant—

10 (i) is a DRM-eligible Katrina Sur-  
11 vivor; and

12 (ii) if applicable, requires home and  
13 community-based services provided under  
14 such DRM assistance in accordance with  
15 subsection (d)(3).

16 (C) No requirement for documentation evi-  
17 dencing the basis on which the applicant quali-  
18 fies to be a DRM-eligible Katrina Survivor or,  
19 if applicable, requires home and community-  
20 based services.

21 (D) Issuance of a DRM assistance eligi-  
22 bility card to an applicant who completes such  
23 application, including the self-attestation re-  
24 quired under subparagraph (B). Such card shall  
25 be valid as long as the DRM coverage period is

1 in effect and shall be accompanied by notice of  
2 the termination date for the DRM coverage pe-  
3 riod and, if applicable, notice that such termi-  
4 nation date may be extended. If the President  
5 extends the DRM coverage period, the State  
6 shall notify DRM-eligible Katrina Survivors en-  
7 rolled in DRM assistance of the new termi-  
8 nation date for the DRM coverage period.

9 (E) If an applicant completes the applica-  
10 tion and presents it to a provider or facility  
11 participating in the State medicaid plan that is  
12 qualified to make presumptive eligibility deter-  
13 minations under such plan (which at a min-  
14 imum shall consist of facilities identified in sec-  
15 tion 1902(a)(55) of the Social Security Act (42  
16 U.S.C. 1396a(a)(55)) and it appears to the pro-  
17 vider that the applicant is a DRM-eligible  
18 Katrina Survivor based on the information in  
19 the application, the applicant will be deemed to  
20 be a DRM-eligible Katrina Survivor eligible for  
21 DRM assistance in accordance with this section,  
22 subject to subsection (g).

23 (F) Continuous eligibility, without the need  
24 for any redetermination of eligibility, for the  
25 duration of the DRM coverage period.



1 (2) NO CONTINUATION OF DRM ASSISTANCE.—

2 (A) IN GENERAL.—Except as provided in  
3 subparagraphs (B) and (C), no DRM assistance  
4 shall be provided after the end of the DRM cov-  
5 erage period.

6 (B) PRESUMPTIVE ELIGIBILITY.—In the  
7 case of any DRM-eligible Katrina Survivor who  
8 is receiving DRM assistance from a State in ac-  
9 cordance with this section and who, as of the  
10 end of the DRM coverage period, has an appli-  
11 cation pending for medical assistance under the  
12 State medicaid plan for periods beginning after  
13 the end of such period, the State shall provide  
14 such Survivor with a period of presumptive eli-  
15 gibility for medical assistance under the State  
16 Medicaid plan (not to exceed 60 days) until a  
17 determination with respect to the Survivor's ap-  
18 plication has been made.

19 (C) PREGNANT WOMEN.—In the case of a  
20 DRM-eligible Katrina Survivor who is receiving  
21 DRM assistance from a State in accordance  
22 with this section and whose pregnancy ended  
23 during the 60-day period prior to the end of the  
24 DRM coverage period, or who is pregnant as of  
25 the end of such period, such Survivor shall con-

1           tinue to be eligible for DRM assistance after  
2           the end of the DRM coverage period, including  
3           (but not limited to) for all pregnancy-related  
4           and postpartum medical assistance available  
5           under the State Medicaid plan, through the end  
6           of the month in which the 60-day period (begin-  
7           ning on the last day of her pregnancy) ends.

8           (3) TREATMENT OF KATRINA SURVIVORS PRO-  
9           VIDED ASSISTANCE PRIOR TO DATE OF ENACT-  
10          MENT.—Any Katrina Survivor who is provided med-  
11          ical assistance under a State medicaid plan in ac-  
12          cordance with guidance from the Secretary during  
13          the period that begins on August 28, 2005, and ends  
14          on the date of enactment of this Act shall be treated  
15          as a DRM-eligible Katrina Survivor, without the  
16          need to file an additional application, for purposes of  
17          eligibility for DRM assistance under this section.

18          (d) SCOPE OF COVERAGE.—

19               (1) CATEGORICALLY NEEDY BENEFITS.—The  
20               State shall treat a DRM-eligible Katrina Survivor as  
21               an individual eligible for medical assistance under  
22               the State plan under title XIX of the Social Security  
23               Act on the basis of section 1902(a)(10)(A)(i) of the  
24               Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)),  
25               with coverage for such assistance retroactive to

1 items and services furnished on or after August 28,  
2 2005 (or in the case of applications for DRM assist-  
3 ance submitted after January 1 2006, the first day  
4 of the 5th month preceding the date on which such  
5 application is submitted).

6 (2) EXTENDED MENTAL HEALTH AND CARE CO-  
7 ORDINATION BENEFITS.—The State may provide,  
8 without regard to any restrictions on amount, dura-  
9 tion, and scope, comparability, or restrictions other-  
10 wise applicable under the State medicaid plan (other  
11 than restrictions applicable under such plan with re-  
12 spect to services provided in an institution for men-  
13 tal diseases), to DRM-eligible Katrina Survivors ex-  
14 tended mental health and care coordination benefits  
15 which may include the following:

16 (A) Screening, assessment, and diagnostic  
17 services (including specialized assessments for  
18 individuals with cognitive impairments).

19 (B) Coverage for a full range of mental  
20 health medications at the dosages and fre-  
21 quencies prescribed by health professionals for  
22 depression, post-traumatic stress disorder, and  
23 other mental disorders.

1           (C) Treatment of alcohol and substance  
2 abuse determined to result from circumstances  
3 related to Hurricane Katrina.

4           (D) Psychotherapy, rehabilitation and  
5 other treatments administered by psychiatrists,  
6 psychologists, or social workers for conditions  
7 exacerbated by, or resulting from, Hurricane  
8 Katrina.

9           (E) In-patient mental health care.

10          (F) Family counseling for families where a  
11 member of the immediate family is a Katrina  
12 Survivor or first responder to Hurricane  
13 Katrina or includes an individual who has died  
14 as a result of Hurricane Katrina.

15          (G) In connection with the provision of  
16 health and long-term care services, arranging  
17 for, (and when necessary, enrollment in waiver  
18 programs or other specialized programs), and  
19 coordination related to, primary and specialty  
20 medical care, which may include personal care  
21 services, durable medical equipment and sup-  
22 plies, assistive technology, and transportation.

23          (3) HOME AND COMMUNITY-BASED SERV-  
24 ICES.—

1           (A) IN GENERAL.—In the case of a State  
2 with a waiver to provide home and community-  
3 based services granted under section 1115 of  
4 the Social Security Act or under subsection (c)  
5 or (d) of section 1915 of such Act, the State  
6 may provide such services to DRM-eligible  
7 Katrina Survivors who self-attest in accordance  
8 with subsection (c)(1)(B)(ii) that they require  
9 immediate home and community-based services  
10 that are available under such waiver without re-  
11 gard to whether the Survivors would require the  
12 level of care provided in a hospital, nursing fa-  
13 cility, or intermediate care facility for the men-  
14 tally retarded, including to DRM-eligible  
15 Katrina Survivors who are individuals described  
16 in subparagraph (B).

17           (B) INDIVIDUALS DESCRIBED.—Individ-  
18 uals described in this subparagraph are individ-  
19 uals who—

20                   (i) on any day during the week pre-  
21 ceding August 28, 2005—

22                           (I) had been receiving home and  
23 community-based services under a  
24 waiver described in subparagraph (A)  
25 in a direct impact parish;

1 (II) had been receiving support  
2 services from a primary family care-  
3 giver who, as a result of Hurricane  
4 Katrina, is no longer available to pro-  
5 vide services; or

6 (III) had been receiving personal  
7 care, home health, or rehabilitative  
8 services under the State medicaid plan  
9 or under a waiver granted under sec-  
10 tion 1915 or 1115 of the Social Secu-  
11 rity Act; or

12 (ii) are disabled (as determined under  
13 the State medicaid plan).

14 (C) WAIVER OF RESTRICTIONS.—The Sec-  
15 retary shall waive with respect to the provision  
16 of home and community-based services under  
17 this paragraph any limitations on—

18 (i) the number of individuals who  
19 shall receive home or community-based  
20 services under a waiver described in sub-  
21 paragraph (A);

22 (ii) budget neutrality requirements ap-  
23 plicable to such waiver; and

24 (iii) targeted populations eligible for  
25 services under such waiver.

1           The Secretary may waive other restrictions ap-  
2           plicable under such a waiver, that would pre-  
3           vent a State from providing home and commu-  
4           nity-based services in accordance with this  
5           paragraph.

6           (4) CHILDREN BORN TO PREGNANT WOMEN.—

7           In the case of a child born to a DRM-eligible  
8           Katrina Survivor who is provided DRM assistance  
9           during the DRM coverage period, such child shall be  
10          treated as having been born to a pregnant woman el-  
11          igible for medical assistance under the State med-  
12          icaid plan and shall be eligible for medical assistance  
13          under such plan in accordance with section  
14          1902(e)(4) of the Social Security Act (42 U.S.C.  
15          1396a(e)(4)). The Federal medical assistance per-  
16          centage applicable to the State medicaid plan shall  
17          apply to medical assistance provided to a child under  
18          such plan in accordance with the preceding sentence.

19          (e) TERMINATION OF COVERAGE; ASSISTANCE WITH  
20          APPLYING FOR REGULAR MEDICAID COVERAGE.—

21                 (1) NOTICE OF EXPECTED TERMINATION OF  
22                 DRM COVERAGE PERIOD.—A State shall provide  
23                 DRM-eligible Katrina Survivors who are receiving  
24                 DRM assistance from the State in accordance with  
25                 this section, as of the beginning of the 4th month

1 (and, if applicable, 9th month) of the DRM coverage  
2 period with—

3 (A) notice of the expected termination date  
4 for DRM assistance for such period;

5 (B) information regarding eligibility for  
6 medical assistance under the State's eligibility  
7 rules otherwise applicable under the State med-  
8 icaid plan; and

9 (C) an application for such assistance and  
10 information regarding where to obtain assist-  
11 ance with completing such application in ac-  
12 cordance with paragraph (2).

13 (2) APPLICATION ASSISTANCE.—A State shall  
14 provide DRM-eligible Katrina Survivors who are re-  
15 ceiving DRM assistance from the State in accord-  
16 ance with this section with assistance in applying for  
17 medical assistance under the State medicaid plan for  
18 periods beginning after the end of the DRM cov-  
19 erage period, at State Medicaid offices and at loca-  
20 tions easily accessible to such Survivors.

21 (3) STATE REPORTS.—A State providing DRM  
22 assistance in accordance with this section shall sub-  
23 mit to the Secretary the following reports:

24 (A) TERMINATION AND TRANSITION AS-  
25 SISTANCE TO REGULAR MEDICAID COVERAGE



1 FOR DRM-ELIGIBLE KATRINA SURVIVORS ELIGI-  
2 BLE FOR SUCH ASSISTANCE.—A report detail-  
3 ing how the State intends to satisfy the require-  
4 ments of paragraphs (1) and (2).

5 (B) ENROLLMENT.—Reports regarding—

6 (i) the number of Katrina Survivors  
7 who are determined to be DRM-eligible  
8 Katrina Survivors; and

9 (ii) the number of DRM-eligible  
10 Katrina Survivors who are determined to  
11 be eligible for, and enrolled in, the State  
12 medicaid plan.

13 (4) SECRETARIAL OVERSIGHT.—The Secretary  
14 of Health and Human Services shall ensure that a  
15 State is complying with the requirements of para-  
16 graphs (1) and (2) and that applications for medical  
17 assistance under the State medicaid plan from  
18 DRM-eligible Katrina Survivors for periods begin-  
19 ning after the end of the DRM coverage period are  
20 processed in a timely and appropriate manner.

21 (5) NO PRIVATE RIGHT OF ACTION AGAINST A  
22 STATE FOR FAILURE TO PROVIDE NOTICE.—No pri-  
23 vate right of action shall be brought against a State  
24 for failure to provide the notices required under  
25 paragraph (1) or subsection (c)(1) so long as the

1 State makes a good faith effort to provide such no-  
2 tices.

3 (f) 100 PERCENT FEDERAL MATCHING PAY-  
4 MENTS.—

5 (1) IN GENERAL.—Notwithstanding section  
6 1905(b) of the Social Security Act (42 U.S.C.  
7 1396d(b), the Federal medical assistance percentage  
8 or the Federal matching rate otherwise applied  
9 under section 1903(a) of such Act (42 U.S.C.  
10 1396b(a)) shall be 100 percent for—

11 (A) providing DRM assistance to DRM-eli-  
12 gible Katrina Survivors during the DRM cov-  
13 erage period in accordance with this section;

14 (B) costs directly attributable to adminis-  
15 trative activities related to the provision of such  
16 DRM assistance, including costs attributable to  
17 obtaining recoveries under subsection (h);

18 (C) costs directly attributable to providing  
19 application assistance in accordance with sub-  
20 section (e)(2); and

21 (D) DRM assistance provided in accord-  
22 ance with subparagraph (B) or (C) of sub-  
23 section (c)(2) after the end of the DRM cov-  
24 erage period.

1           (2) DISREGARD OF PAYMENTS.—Payments pro-  
2           vided to a State in accordance with this subsection  
3           shall be disregarded for purposes of applying sub-  
4           sections (f) and (g) of section 1108 of the Social Se-  
5           curity Act (42 U.S.C. 1308).

6           (g) VERIFICATION OF STATUS AS A KATRINA SUR-  
7           VIVOR.—

8           (1) IN GENERAL.—The State shall make a good  
9           faith effort to verify the status of an individual who  
10          is enrolled in the State Medicaid plan as a DRM-eli-  
11          gible Katrina Survivor under the provisions of this  
12          section. Such effort shall not delay the determina-  
13          tion of the eligibility of the Survivor for DRM assist-  
14          ance under this section.

15          (2) EVIDENCE OF VERIFICATION.—A State may  
16          satisfy the verification requirement under subpara-  
17          graph (A) with respect to an individual by showing  
18          that the State providing DRM assistance obtained  
19          information from the Social Security Administration,  
20          the Internal Revenue Service, or the State Medicaid  
21          Agency for the State from which individual is from  
22          (if the individual was not a resident of such State  
23          on any day during the week preceding August 28,  
24          2005).

25          (h) PENALTY FOR FRAUDULENT APPLICATIONS.—

1           (1) INDIVIDUAL LIABLE FOR COSTS.—If a  
2 State, as the result of verification activities con-  
3 ducted under subsection (g) or otherwise, determines  
4 after a fair hearing that an individual has knowingly  
5 made a false self-attestation described in subsection  
6 (c)(1)(B), the State may, subject to paragraph (2),  
7 seek recovery from the individual for the full amount  
8 of the cost of DRM assistance provided to the indi-  
9 vidual under this section.

10           (2) EXCEPTION.—The Secretary shall exempt a  
11 State from seeking recovery under paragraph (1) if  
12 the Secretary determines that it would not be cost-  
13 effective for the State to do so.

14           (3) REIMBURSEMENT TO THE FEDERAL GOV-  
15 ERNMENT.—Any amounts recovered by a State in  
16 accordance with this subsection shall be returned to  
17 the Federal government.

18           (i) EXEMPTION FROM ERROR RATE PENALTIES.—All  
19 payments attributable to providing DRM assistance in ac-  
20 cordance with this section shall be disregarded for pur-  
21 poses of section 1903(u) of the Social Security Act (42  
22 U.S.C. 1396b(u)).

23           (j) PROVIDER PAYMENT RATES.—In the case of any  
24 DRM assistance provided in accordance with this section  
25 to a DRM-eligible Katrina Survivor that is covered under

1 the State medicaid plan (as applied without regard to this  
2 section) the State shall pay a provider of such assistance  
3 the same payment rate as the State would otherwise pay  
4 for the assistance if the assistance were provided under  
5 the State medicaid plan (or, if no such payment rate ap-  
6 plies under the State medicaid plan, the usual and cus-  
7 tomary prevailing rate for the item or service for the com-  
8 munity in which it is provided).

9 (k) APPLICATION TO INDIVIDUALS ELIGIBLE FOR  
10 MEDICAL ASSISTANCE.—Nothing in this section shall be  
11 construed as affecting any rights accorded to an individual  
12 who is a recipient of medical assistance under a State  
13 medicaid plan who is determined to be a DRM-eligible  
14 Katrina Survivor but the provision of DRM assistance to  
15 such individual shall be limited to the provision of such  
16 assistance in accordance with this section.

17 **SEC. 323. TARGETED MEDICAID RELIEF FOR DIRECT IM-**  
18 **PACT PARISHES.**

19 (a) 100 PERCENT FEDERAL MATCHING PAYMENTS  
20 FOR MEDICAL ASSISTANCE PROVIDED IN DIRECT IMPACT  
21 PARISH.—

22 (1) IN GENERAL.—Notwithstanding section  
23 1905(b) of the Social Security Act (42 U.S.C.  
24 1396d(b)), for items and services furnished during  
25 the period that begins on August 28, 2005, and ends

1 on December 31, 2006, the Federal medical assist-  
2 ance percentage for providing medical assistance  
3 under a State medicaid plan under title XIX of the  
4 Social Security Act to any individual, including a  
5 Katrina Survivor, residing in a parish of the State  
6 of Louisiana described in subsection (c) shall be 100  
7 percent.

8 (2) APPLICATION TO ENHANCED FMAP.—The  
9 100 percent Federal medical assistance percentage  
10 applicable under subsection (a) shall also apply for  
11 purposes of determining the enhanced FMAP (as de-  
12 fined in section 2105(b) of the Social Security Act  
13 (42 U.S.C. 1397ee(b)) for child health assistance  
14 provided under a State child health plan under title  
15 XXI of such Act in such a parish or county during  
16 the period described in such subsection.

17 (b) MORATORIUM ON REDETERMINATIONS.—During  
18 the DRM coverage period, the State of Louisiana shall not  
19 be required to conduct eligibility redeterminations under  
20 the State’s medicaid plan.

21 (c) PARISH OR COUNTY DESCRIBED.—For purposes  
22 of subsection (a), a parish or county described in this sub-  
23 section is a parish or county for which a major disaster  
24 has been declared in accordance with section 401 of the  
25 Robert T. Stafford Disaster Relief and Emergency Assist-

1 ance Act (42 U.S.C. 5170) as a result of Hurricane  
2 Katrina and which the President has determined, as of  
3 September 14, 2005, warrant individual or public assist-  
4 ance from the Federal Government under such Act.

5 **SEC. 324. AUTHORITY TO WAIVE REQUIREMENTS DURING**  
6 **NATIONAL EMERGENCIES WITH RESPECT TO**  
7 **EVACUEES FROM AN EMERGENCY AREA.**

8 (a) IN GENERAL.—Section 1135(g)(1) of the Social  
9 Security Act (42 U.S.C. 1320b–5(g)(1)) is amended by  
10 adding at the end the following:

11 “Any geographical area in which the Secretary de-  
12 termines there are a significant number of evacuees  
13 from an area that is considered to be an emergency  
14 area under the preceding sentence shall be consid-  
15 ered to be an ‘emergency area’ for purposes of this  
16 section.”.

17 (b) EFFECTIVE DATE.—The amendment made by  
18 subsection (a) shall take effect as if enacted on August  
19 28, 2005.

20 **SEC. 325. EMERGENCY ASSISTANCE FOR STATES WITH RE-**  
21 **SPECT TO THE FEDERAL MEDICAL ASSIST-**  
22 **ANCE PERCENTAGE FOR FISCAL YEAR 2006.**

23 If the Federal medical assistance percentage (as de-  
24 fined in section 1905(b) of the Social Security Act (42  
25 U.S.C. 1396d(b))) determined for a State for fiscal year

1 2006 is less than the Federal medical assistance percent-  
2 age determined for the State for fiscal year 2005, the Fed-  
3 eral medical assistance percentage for the State for fiscal  
4 year 2005 shall apply to the State for fiscal year 2006  
5 for purposes of titles XIX and XXI of the Social Security  
6 Act (42 U.S.C. 1396 et seq., 1397aa et seq.).

7 **SEC. 326. EMERGENCY ASSISTANCE TO MEDICARE BENE-**  
8 **FICIARIES.**

9 (a) EXCLUSION OF DRM COVERAGE PERIOD IN  
10 COMPUTING MEDICARE PART B LATE ENROLLMENT PE-  
11 RIOD.—In applying the first sentence of section 1839(b)  
12 of the Social Security Act (42 U.S.C. 1395r(b)) in the case  
13 of an individual who, on any day during the week pre-  
14 ceding August 28, 2005, had a residence in a direct im-  
15 pact parish, there shall not be taken into account any  
16 month any part of which is within the DRM coverage pe-  
17 riod.

18 (b) WRITTEN PLAN ON TRANSITION OF CERTAIN  
19 FULL-BENEFIT DUAL ELIGIBLE INDIVIDUALS TO PRE-  
20 SCRIPTION DRUG COVERAGE UNDER MEDICARE PART  
21 D.—Not later than October 7, 2005, the Secretary of  
22 Health and Human Services shall submit to Congress a  
23 written plan on how the Secretary will provide for the  
24 transition of coverage of prescription drugs for full-benefit  
25 dual eligible individuals (as defined in section 1935(c)(6))



1 of the Social Security Act (42 U.S.C. 1396u–5(c)(6)) who,  
2 on any day during the week preceding August 28, 2005,  
3 had a residence in a direct impact parish, from the med-  
4 icaid program under title XIX of such Act to the medicare  
5 program under part D of title XVIII of such Act.

6 **SEC. 327. 80 PERCENT FEDERAL MATCHING PAYMENTS**  
7 **UNDER MEDICAID FOR UNCOMPENSATED**  
8 **CARE PROVIDED TO SURVIVORS OF HURRI-**  
9 **CANE KATRINA.**

10 (a) IN GENERAL.—Notwithstanding section 1903(a)  
11 or 1905(b) of the Social Security Act (42 U.S.C.  
12 1396a(a), 1396d(b)), during the DRM coverage period  
13 that begins on April 30, 2005—

14 (1) expenditures described in subsection (b)  
15 shall be treated as medical assistance provided under  
16 the State Medicaid plan of the State of Louisiana;  
17 and

18 (2) the Federal medical assistance percentage  
19 for such expenditures, and for any administrative  
20 costs that are attributable to such expenditures,  
21 shall be 80 percent.

22 (b) EXPENDITURES DESCRIBED.—For purposes of  
23 subsection (a), the expenditures in this subsection are the  
24 following:



1           (1) shall be administered by the Secretary of  
2           Health and Human Services (in this section referred  
3           to as the “Secretary”); and

4           (2) shall consist of amounts made available  
5           under subsection (e).

6           (b) USE OF AMOUNTS IN FUND.—Amounts in the  
7           Fund shall be used by the Secretary to make payments  
8           to State insurance commissioners for the purpose of mak-  
9           ing payments to health insurance issuers—

10           (1) on behalf of individuals who had coverage  
11           as of August 29, 2005 for such individual’s share of  
12           their health insurance premium; and

13           (2) on behalf of qualified employers for the em-  
14           ployer share of their employee’s health insurance  
15           premiums, but only with respect to the days on  
16           which the employer meets the definition under sub-  
17           section (c).

18           (c) QUALIFIED EMPLOYER DEFINED.—For purposes  
19           of subsection (b)(2), the term “qualified employer” means  
20           any employer—

21           (1) which conducted an active trade or business  
22           on August 28, 2005, in a Hurricane Katrina dis-  
23           aster area; and

24           (2) with respect to whom the trade or business  
25           described in paragraph (1)—

1 (A) is inoperable on any day during the  
2 disaster relief period as a result of damage sus-  
3 tained in connection with Hurricane Katrina; or

4 (B) is not paying salary or benefits to em-  
5 ployees on any day during the disaster relief pe-  
6 riod as a result of damage sustained in connec-  
7 tion with Hurricane Katrina.

8 (d) APPROPRIATION.—Out of any money in the  
9 Treasury not otherwise appropriated, there is appro-  
10 priated to the Fund, \$400,000,000 for fiscal year 2005,  
11 to remain available until expended.

12 **SEC. 329. ELIGIBILITY OF KATRINA SURVIVORS FOR RE-**  
13 **FUNDABLE CREDIT FOR HEALTH INSURANCE**  
14 **COSTS AND ASSISTANCE WITH HEALTH IN-**  
15 **SURANCE COVERAGE UNDER NATIONAL**  
16 **EMERGENCY GRANTS.**

17 Notwithstanding sections 35, 7527, and 6050T of the  
18 Internal Revenue Code of 1986, and section 173(f) of the  
19 Workforce Investment Act of 1998 (29 U.S.C. 2918(f)),  
20 during the disaster relief period, for purposes of applying  
21 such sections—

22 (1) a Katrina Survivor (as defined in section  
23 323(a)(1)) shall be deemed to be an eligible indi-  
24 vidual; and

1           (2) section 35(a) of such Code shall be applied  
2           with respect to a Katrina Survivor by substituting  
3           “100 percent” for “65 percent”.

4 **SEC. 330A. NATIONAL HEALTH SERVICE CORPS.**

5           (a) DESIGNATION AS HEALTH PROFESSIONAL  
6 SHORTAGE AREA.—Notwithstanding section 332(a)(1) of  
7 the Public Health Service Act (42 U.S.C. 254e(a)(1)), an  
8 area in which the President has declared that a major dis-  
9 aster exists, in accordance with section 401 of the Robert  
10 T. Stafford Disaster Relief and Emergency Assistance Act  
11 (42 U.S.C. 5170) related to Hurricane Katrina, shall be  
12 designated as a health professional shortage area as de-  
13 scribed in such section 332.

14           (b) SCHOLARSHIP PROGRAMS.—Notwithstanding sec-  
15 tion 338A(d)(2) of the Public Health Service Act (42  
16 U.S.C. 254l(d)(2)), in providing contracts under the  
17 Scholarship Program under subpart III of part D of title  
18 III of the Public Health Service Act (42 U.S.C. 254l et  
19 seq.), the Secretary of Health and Human Services shall  
20 give first priority to any application from an individual  
21 who agrees to serve in a health professional shortage area  
22 affected by Hurricane Katrina, as described in subsection  
23 (a).

24           (c) LOAN REPAYMENT PROGRAMS.—The Secretary  
25 of Health and Human Services shall operate a loan repay-

1 ment program to encourage eligible health care profes-  
2 sionals to move to and continue to serve in a health profes-  
3 sional shortage area affected by Hurricane Katrina, as de-  
4 scribed in subsection (a), in the same manner and subject  
5 to the same requirements and restrictions as the Loan Re-  
6 payment Program operated by the Secretary under sub-  
7 part III of part D of title III of the Public Health Service  
8 Act (42 U.S.C. 254l et seq.), except that the total amount  
9 that the Secretary may pay for loan repayment on behalf  
10 of an individual participating in the loan repayment pro-  
11 gram under this subsection shall be not more than  
12 \$50,000 for 2 years of obligated service by the individual.

13 **SEC. 300A. COMMUNITY HEALTH CENTER GRANTS.**

14 (a) PRIORITY.—In awarding grants under section  
15 330 of the Public Health Service Act (42 U.S.C. 254b),  
16 the Secretary of Health and Human Services shall give  
17 priority to applicants applying on behalf of a community  
18 health center located in an area in which the President  
19 has declared that a major disaster exists, in accordance  
20 with section 401 of the Robert T. Stafford Disaster Relief  
21 and Emergency Assistance Act (42 U.S.C. 5170) related  
22 to Hurricane Katrina.

23 (b) WAIVER.—In awarding and administering grants  
24 under section 330 of the Public Health Service Act (42  
25 U.S.C. 254b) relating to community health centers located

1 in Louisiana, the Secretary of Health and Human Services  
2 shall waive any requirement or eligibility criteria that the  
3 Secretary determines appropriate, including any require-  
4 ment that a community health center must be operated  
5 as a free-standing clinic.

6 (c) DEEMED ELIGIBILITY.—In the case of any health  
7 provider located in a parish of the State of Louisiana for  
8 which the President has declared that a major disaster  
9 exists, in accordance with section 401 of the Robert T.  
10 Stafford Disaster Relief and Emergency Assistance Act  
11 (42 U.S.C. 5170) related to Hurricane Katrina and which  
12 has applied for a grant under section 330 of the Public  
13 Health Service Act (42 U.S.C. 254b) during the 1-year  
14 period preceding the date of enactment of this Act and  
15 which is still pending as of such date, such provider shall  
16 be deemed to be a federally qualified health center and  
17 shall be eligible for a grant under such section until such  
18 time as a determination on such application is made.

19 **SEC. 330B. TELEMEDICINE.**

20 Notwithstanding any other provision of law, the Sec-  
21 retary may waive licensing and certification requirements  
22 relating to telemedicine for health professionals providing  
23 diagnosis and treatment services to assist in treating vic-  
24 tims of a public health emergency as declared by the Sec-  
25 retary under section 319 of the Public Health Service Act

1 (42 U.S.C. 247d). Such a waiver may include provisions  
2 permitting payments to health professionals who provide  
3 such services.

4 **SEC. 330C. PENALTIES FOR FRAUDULENT USE OF LICEN-**  
5 **SURE.**

6 Chapter 47 of title 18, United States Code, is amend-  
7 ed by adding at the end the following:

8 **“§ 1039. Fraudulent use of medical credentials**

9 “Whoever knowingly or willingly—

10 “(1) falsifies a medical license or certification;

11 “(2) make any materially false, fictitious, or  
12 fraudulent statement or representation with respect  
13 to a medical license or certification;

14 “(3) makes or uses any false writing or docu-  
15 ment relating to a medical license or certification  
16 knowing the same to contain any materially false,  
17 fictitious, or fraudulent statement or entry; or

18 “(4) provides medical treatment or services to  
19 an individual while intentionally misrepresenting  
20 that such person is appropriately licensed or cer-  
21 tified to provide such services;

22 shall be fined under this title, imprisoned not more than  
23 5 years, or both.”.



1 **SEC. 330D. WAIVER OF CERTAIN MEDICARE QUALITY RE-**  
2 **PORTING REQUIREMENTS FOR HOSPITALS.**

3 (a) IN GENERAL.—During the disaster relief period,  
4 section 1886(b)(3)(B)(vii) of the Social Security Act (42  
5 U.S.C. 1395ww(b)(3)(B)(vii)) shall not apply to a hospital  
6 that is located in any parish affected by Hurricane  
7 Katrina (as defined in subsection (b)).

8 (b) DIRECT IMPACT PARISH DEFINED.—

9 (1) IN GENERAL.—In this section, the term “di-  
10 rect impact parish” means a parish in the State of  
11 Louisiana for which a major disaster has been de-  
12 clared in accordance with section 401 of the Robert  
13 T. Stafford Disaster Relief and Emergency Assist-  
14 ance Act (42 U.S.C. 5170) as a result of Hurricane  
15 Katrina and which the President has determined,  
16 before September 14, 2005, warrants individual and  
17 public assistance from the Federal Government  
18 under such Act.

19 (2) EXCLUSION.—Such term does not include a  
20 parish in the State of Louisiana which the President  
21 has determined warrants only public assistance from  
22 the Federal Government under such Act as a result  
23 of Hurricane Katrina.

24 (3) AUTHORITY TO RELY ON WEBSITE POSTED  
25 DESIGNATIONS.—The Secretary of Health and  
26 Human Services shall post on the Internet website

1 for the Centers for Medicare & Medicaid Services a  
2 list of parishes identified as direct impact parishes  
3 in accordance with this paragraph. Any such parish  
4 that is posted on such website as a direct impact  
5 parish shall be treated for purposes of paragraph (1)  
6 as described in such paragraph.

7 **SEC. 330E. MORATORIUM ON REDETERMINATIONS.**

8 During the disaster relief period, the State of Lou-  
9 isiana shall not be required to conduct eligibility redeter-  
10 minations under the State's medicaid plan under title XIX  
11 of the Social Security Act (42 U.S.C. 1396 et seq.).

12 **SEC. 330F. ACCOMMODATION OF SPECIAL NEEDS OF**  
13 **KATRINA SURVIVORS UNDER MEDICARE PRO-**  
14 **GRAM.**

15 (a) EXCLUSION OF DISASTER RELIEF PERIOD IN  
16 COMPUTING PART B LATE ENROLLMENT PENALTY.—In  
17 applying the first sentence of section 1839(b) of the Social  
18 Security Act (42 U.S.C. 1395r(b)) in the case of a Katrina  
19 Survivor, there shall not be taken into account any month  
20 any part of which is within the disaster relief period or  
21 within the 2-month period following the end of such dis-  
22 aster relief period.

23 (b) PART D.—

24 (1) EXTENSION OF INITIAL ENROLLMENT PE-  
25 RIOD.—In the case of a Katrina Survivor, the initial

1 enrollment period under section 1860D–1(b)(2) of  
2 the Social Security Act (42 U.S.C. 1395w–  
3 101(b)(2)) shall in no case end before May 15,  
4 2007.

5 (2) FLEXIBILITY IN DOCUMENTATION FOR  
6 LOW-INCOME SUBSIDIES.—For purposes of carrying  
7 out section 1860D–14 of the Social Security Act (42  
8 U.S.C. 1395w–114), with respect to Katrina Sur-  
9 vivors, the Secretary of Health and Human Services  
10 shall establish documentation rules for Katrina Sur-  
11 vivors which take into account the loss and unavail-  
12 ability of documents due to Hurricane Katrina.

13 **SEC. 330G. MEDICARE PROVIDERS AND SUPPLIERS.**

14 Notwithstanding any provision of titles XI or XVIII  
15 of the Social Security Act, the Secretary of Health and  
16 Human Services shall establish procedures to ensure that  
17 whenever a provider of services (as defined in subsection  
18 (u) of section 1861 of such Act (42 U.S.C. 1395x)) or  
19 a supplier (as defined in subsection (d) of such section)  
20 under the Medicare program under title XVIII of such Act  
21 temporarily ceases offering items or services or relocates  
22 to another community as a result of a natural disaster  
23 or act of terrorism, such temporary cessation of business  
24 or relocation shall not result in a termination of the pro-  
25 vider of service’s provider agreement or the supplier’s

1 Medicare participation, or have any adverse impact on any  
2 terms or provisions of the provider’s Medicare certifi-  
3 cation, supplier’s Medicare participation, or a hospital’s  
4 Inpatient Prospective Payment System exclusion status or  
5 classification; but only if the provider or supplier satisfies  
6 all conditions for Medicare certification and participation  
7 upon relocating or resuming to provide items or services  
8 under the Medicare program.

## 9 **Subtitle D—Bankruptcy Relief**

### 10 **SEC. 331. DEFINITIONS; WHO MAY BE A DEBTOR.**

11 (a) CURRENT MONTHLY INCOME.—Section  
12 101(10A)(B) of title 11, United States Code, is amend-  
13 ed—

14 (1) by striking “and payments” and inserting  
15 “payments”; and

16 (2) by inserting before the period at the end the  
17 following: “, and payments to victims of a natural  
18 disaster by a governmental unit or by a qualified re-  
19 ligious or charitable entity or organization, as de-  
20 fined in section 548(d)(4), which were made solely  
21 on account of their status as victims of such natural  
22 disaster”.

23 (b) NATURAL DISASTER; NATURAL DISASTER  
24 ZONE.—Section 101 of title 11, United States Code, is  
25 amended—

1           (1) by redesignating paragraphs (40A) and  
2           (40B) as paragraphs (40C) and (40D), respectively;  
3           and

4           (2) by inserting after paragraph (40) the fol-  
5           lowing:

6           “(40A) The term ‘natural disaster’ means a  
7           major disaster, as defined in section 102 of the Rob-  
8           ert T. Stafford Disaster Relief and Emergency As-  
9           sistance Act.

10          “(40B) The term ‘natural disaster zone’ means  
11          the geographical area included in the determination  
12          of a natural disaster.”.

13          (c) VICTIM OF NATURAL DISASTER.—Section 101 of  
14          title 11, United States Code, is amended by adding at the  
15          end the following:

16          “(56) The term ‘victim of a natural disaster’  
17          means an individual whose financial condition is ma-  
18          terially adversely affected due to—

19                  “(A) damage sustained to the principal  
20                  residence of that person, where such residence  
21                  is located in a natural disaster zone, as a result  
22                  of a natural disaster;

23                  “(B) an inability to remain at the principal  
24                  residence of that person, where such residence

1 is located in a natural disaster zone, as a result  
2 of a natural disaster; or

3 “(C) an inability to work at the principal  
4 place of employment of that person, where such  
5 place of employment is located in a natural dis-  
6 aster zone, as a result of a natural disaster.”.

7 (d) WHO MAY BE A DEBTOR.—Section 109(h)(4) of  
8 title 11, United States Code, is amended by inserting  
9 “natural disaster,” after “disability,”.

10 **SEC. 332. AMENDMENTS TO CHAPTER 5.**

11 Section 521 of title 11, United States Code, is  
12 amended by adding at the end the following:

13 “(k) The court, after notice and a hearing upon mo-  
14 tion of the debtor, may extend any time period specified  
15 in this section as may be necessary, if the court finds  
16 that—

17 “(1) the debtor is a victim of a natural disaster;  
18 and

19 “(2) the status of the debtor as a victim of a  
20 natural disaster necessitates such extension of  
21 time.”.

22 **SEC. 333. AMENDMENTS TO CHAPTER 7.**

23 (a) REASONABLE NECESSARY EXPENSES.—Section  
24 707(b)(2)(A)(ii) of title 11, United States Code, is amend-  
25 ed by adding at the end the following:

1       “(VI) In addition, the monthly expenses of the debtor  
2 may include the actual reasonably necessary expenses in-  
3 curred as a result of being a victim of a natural disaster  
4 if the debtor provides documentation of such expenses,  
5 and a detailed explanation of why such expenses are rea-  
6 sonable and necessary, and why such expenses are not ac-  
7 counted for by the national standards, local standards,  
8 and other necessary expenses referred to in subclause  
9 (I).”.

10       (b) NATURAL DISASTER.—Section 707(b)(2)(B)(i) of  
11 title 11, United States Code, is amended by inserting “or  
12 a natural disaster” after “such as a serious medical condi-  
13 tion or a call or order to active duty in the Armed Forces”.

14 **SEC. 334. AMENDMENTS TO CHAPTER 11.**

15       (a) CONVERSION OF CASE.—Section 1112(b) of title  
16 11, United States Code, is amended—

17           (1) in paragraph (2)(B)(i), by inserting “, in-  
18 cluding a natural disaster” before the semicolon; and

19           (2) in paragraph (3), by inserting “(including a  
20 natural disaster)” after “circumstances”.

21       (b) WHO MAY FILE A PLAN.—Section 1121(e)(3) of  
22 title 11, United States Code, is amended—

23           (1) in subparagraph (A), by inserting “(i)”  
24 after “(A)”;

1           (2) in subparagraph (C), by striking the period  
2           at the end and inserting “; or”;

3           (3) by redesignating subparagraphs (B) and  
4           (C) as clauses (ii) and (iii), respectively; and

5           (4) by adding at the end the following:

6                   “(B) the debtor, after providing notice to  
7                   parties in interest (including the United States  
8                   trustee) demonstrates that the debtor is unable  
9                   to meet the deadline because of a natural dis-  
10                  aster and a new deadline is imposed at the time  
11                  the extension is granted and the order extend-  
12                  ing the time is signed before the expiration of  
13                  the existing deadline.”.

14           (c) **EXTENSION OF TIME FOR SMALL BUSINESSES.**—  
15           Chapter 11 of title 11, United States Code, is amended—

16                  (1) in the table of sections, by adding at the  
17                  end the following:

          “§1117. Extension of time for small businesses.”; and

18                  (2) in subchapter I, by adding at the end the  
19                  following:

20           **“§ 1117. Extension of time for small businesses**

21                   “‘In a small business case, the court after notice and  
22                   a hearing may extend any deadline specified in this chap-  
23                   ter if the court finds that such extension is—

24                           “(1) necessary to protect the best interests of  
25                           creditors and the estate; and



1 “(2) warranted by a natural disaster.”.

2 **SEC. 335. AMENDMENTS TO CHAPTER 13.**

3 (a) **CONVERSION OR DISMISSAL.**—Section 1307(e) of  
4 title 11, United States Code, is amended by adding at the  
5 end the following:

6 “The court, after notice and a hearing on motion of the  
7 debtor, may extend any time period specified in this sub-  
8 section as may be necessary, if—

9 “(1) the debtor is a victim of a natural disaster;

10 “(2) the status of the debtor as a victim of a  
11 natural disaster necessitates such extension of time;  
12 and

13 “(3) the debtor files an affidavit stating that  
14 such tax return was destroyed or lost as a result of  
15 such natural disaster, and that the debtor has re-  
16 quested a copy of such tax return from the taxing  
17 authority.”.

18 (b) **FILING OF PREPETITION TAX RETURNS.**—Sec-  
19 tion 1308 of title 11, United States Code, is amended by  
20 adding at the end the following:

21 “(d) The court, after notice and a hearing on motion  
22 of the debtor, may extend any time period specified in this  
23 subsection as may be necessary, if—

24 “(1) the debtor is a victim of a natural disaster;

1           “(2) the status of the debtor as a victim of a  
2           natural disaster necessitates such extension of time;  
3           and

4           “(3) the debtor files an affidavit stating that  
5           such tax return was destroyed or lost as a result of  
6           such natural disaster and that the debtor has re-  
7           quested a copy of such tax return from the taxing  
8           authority.”.

9   **SEC. 336. EFFECTIVE DATE; APPLICATION OF AMEND-**  
10                           **MENTS.**

11           (a) **EFFECTIVE DATE.**—This subtitle and the amend-  
12           ments made by this subtitle shall take effect on October  
13           18, 2005.

14           (b) **APPLICATION OF AMENDMENTS.**—The amend-  
15           ments made by this subtitle shall apply only with respect  
16           to cases commenced under title 11 of the United States  
17           Code after October 17, 2005.

18                           **Subtitle E—Unemployment**  
19                           **Compensation**

20   **SEC. 341. FEDERAL-STATE AGREEMENTS.**

21           (a) **IN GENERAL.**—Any State which desires to do so  
22           may enter into and participate in an agreement under this  
23           title with the Secretary of Labor (in this title referred to  
24           as the “Secretary”). Any State which is a party to an

1 agreement under this title may, upon providing 30 days'  
2 written notice to the Secretary, terminate such agreement.

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

7 (1) exhaust all rights to regular compensation  
8 under the State law or under Federal law after Au-  
9 gust 27, 2005;

10 (2) have no rights to regular compensation or  
11 extended compensation with respect to a week under  
12 such law or any other State unemployment com-  
13 pensation law or to compensation under any other  
14 Federal law; and

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

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

22 (1) no payments of regular compensation can  
23 be made under such law because such individual has  
24 received all regular compensation available to such

1 individual based on employment or wages during  
2 such individual's base period; or

3 (2) such individual's rights to such compensa-  
4 tion have been terminated by reason of the expira-  
5 tion of the benefit year with respect to which such  
6 rights existed.

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

9 (1) the amount of temporary extended unem-  
10 ployment compensation which shall be payable to  
11 any individual for any week of total unemployment  
12 shall be equal to the amount of the regular com-  
13 pensation (including dependents' allowances) payable  
14 to such individual during such individual's benefit  
15 year under the State law for a week of total unem-  
16 ployment;

17 (2) the terms and conditions of the State law  
18 which apply to claims for regular compensation and  
19 to the payment thereof shall apply to claims for tem-  
20 porary extended unemployment compensation and  
21 the payment thereof, except—

22 (A) that an individual shall not be eligible  
23 for temporary extended unemployment com-  
24 pensation under this title unless, in the base pe-  
25 riod with respect to which the individual ex-

1           hausted all rights to regular compensation  
2           under the State law, the individual had 20  
3           weeks of full-time insured employment or the  
4           equivalent in insured wages, as determined  
5           under the provisions of the State law imple-  
6           menting section 202(a)(5) of the Federal-State  
7           Extended Unemployment Compensation Act of  
8           1970 (26 U.S.C. 3304 note); and

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

13           (3) the maximum amount of temporary ex-  
14           tended unemployment compensation payable to any  
15           individual for whom a temporary extended unem-  
16           ployment compensation account is established under  
17           section 342 shall not exceed the amount established  
18           in such account for such individual.

19           (e) ELECTION BY STATES.—Notwithstanding any  
20           other provision of Federal law (and if State law permits),  
21           the Governor of a State that is in an extended benefit pe-  
22           riod may provide for the payment of temporary extended  
23           unemployment compensation in lieu of extended com-  
24           pensation to individuals who otherwise meet the require-

1 ments of this section. Such an election shall not require  
2 a State to trigger off an extended benefit period.

3 **SEC. 342. TEMPORARY EXTENDED UNEMPLOYMENT COM-**  
4 **PENSATION ACCOUNT.**

5 (a) IN GENERAL.—Any agreement under this title  
6 shall provide that the State will establish, for each eligible  
7 individual who files an application for temporary extended  
8 unemployment compensation, a temporary extended un-  
9 employment compensation account with respect to such in-  
10 dividual's benefit year.

11 (b) AMOUNT IN ACCOUNT.—

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

15 (A) 100 percent of the total amount of  
16 regular compensation (including dependents' al-  
17 lowances) payable to the individual during the  
18 individual's benefit year under such law; or

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

21 (2) WEEKLY BENEFIT AMOUNT.—For purposes  
22 of this subsection, an individual's weekly benefit  
23 amount for any week is the amount of regular com-  
24 pensation (including dependents' allowances) under

1 the State law payable to such individual for such  
2 week for total unemployment.

3 **SEC. 343. PAYMENTS TO STATES HAVING AGREEMENTS FOR**  
4 **THE PAYMENT OF TEMPORARY EXTENDED**  
5 **UNEMPLOYMENT COMPENSATION.**

6 (a) GENERAL RULE.—There shall be paid to each  
7 State that has entered into an agreement under this title  
8 an amount equal to 100 percent of the temporary extended  
9 unemployment compensation paid to individuals by the  
10 State pursuant to such agreement.

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

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

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

10 **SEC. 344. FINANCING PROVISIONS.**

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

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



1 count of such State in the Unemployment Trust Fund (as  
2 so established).

3 (c) ASSISTANCE TO STATES.—There are appro-  
4 priated out of the employment security administration ac-  
5 count (as established by section 901(a) of the Social Secu-  
6 rity Act (42 U.S.C. 1101(a)) of the Unemployment Trust  
7 Fund, without fiscal year limitation, such funds as may  
8 be necessary for purposes of assisting States (as provided  
9 in title III of the Social Security Act (42 U.S.C. 501 et  
10 seq.)) in meeting the costs of administration of agree-  
11 ments under this title.

12 (d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—  
13 There are appropriated from the general fund of the  
14 Treasury, without fiscal year limitation, to the extended  
15 unemployment compensation account (as so established)  
16 of the Unemployment Trust Fund (as so established) such  
17 sums as the Secretary estimates to be necessary to make  
18 the payments under this section in respect of—

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

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

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

1 **SEC. 345. FRAUD AND OVERPAYMENTS.**

2 (a) IN GENERAL.—If an individual knowingly has  
3 made, or caused to be made by another, a false statement  
4 or representation of a material fact, or knowingly has  
5 failed, or caused another to fail, to disclose a material fact,  
6 and as a result of such false statement or representation  
7 or of such nondisclosure such individual has received an  
8 amount of temporary extended unemployment compensa-  
9 tion under this title to which he was not entitled, such  
10 individual—

11 (1) shall be ineligible for further temporary ex-  
12 tended unemployment compensation under this title  
13 in accordance with the provisions of the applicable  
14 State unemployment compensation law relating to  
15 fraud in connection with a claim for unemployment  
16 compensation; and

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

19 (b) REPAYMENT.—In the case of individuals who  
20 have received amounts of temporary extended unemploy-  
21 ment compensation under this title to which they were not  
22 entitled, the State shall require such individuals to repay  
23 the amounts of such temporary extended unemployment  
24 compensation to the State agency, except that the State  
25 agency may waive such repayment if it determines that—

1           (1) the payment of such temporary extended  
2 unemployment compensation was without fault on  
3 the part of any such individual; and

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

6           (c) RECOVERY BY STATE AGENCY.—

7           (1) IN GENERAL.—The State agency may re-  
8 cover the amount to be repaid, or any part thereof,  
9 by deductions from any temporary extended unem-  
10 ployment compensation payable to such individual  
11 under this title or from any unemployment com-  
12 pensation payable to such individual under any Fed-  
13 eral unemployment compensation law administered  
14 by the State agency or under any other Federal law  
15 administered by the State agency which provides for  
16 the payment of any assistance or allowance with re-  
17 spect to any week of unemployment, during the 3-  
18 year period after the date such individuals received  
19 the payment of the temporary extended unemploy-  
20 ment compensation to which they were not entitled,  
21 except that no single deduction may exceed 50 per-  
22 cent of the weekly benefit amount from which such  
23 deduction is made.

24           (2) OPPORTUNITY FOR HEARING.—No repay-  
25 ment shall be required, and no deduction shall be

1       made, until a determination has been made, notice  
2       thereof and an opportunity for a fair hearing has  
3       been given to the individual, and the determination  
4       has become final.

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

10   **SEC. 346. DEFINITIONS.**

11       (a) IN GENERAL.—In this title, the terms “com-  
12       pensation”, “regular compensation”, “extended compensa-  
13       tion”, “additional compensation”, “benefit year”, “base  
14       period”, “State”, “State agency”, “State law”, and  
15       “week” have the respective meanings given such terms  
16       under section 205 of the Federal-State Extended Unem-  
17       ployment Compensation Act of 1970 (26 U.S.C. 3304  
18       note).

19       (b) STATE.—In this title, the term State means Lou-  
20       isiana.

21   **SEC. 347. APPLICABILITY.**

22       An agreement entered into under this title shall apply  
23       to weeks of unemployment—

24               (1) beginning after August 27, 2005; and

25               (2) ending before August 27, 2006.

1           **Subtitle F—Special Reed Act**  
2                           **Transfer**

3 **SEC. 351. SPECIAL REED ACT TRANSFER.**

4           (a) SPECIAL TRANSFER.—Section 903 of the Social  
5 Security Act (42 U.S.C. 1103) is amended by adding at  
6 the end the following:

7                           “Special Transfer

8           “(e)(1) The Secretary of the Treasury may transfer  
9 (as of the date determined under paragraph (4)) from the  
10 Federal unemployment account to the account of the State  
11 in the Unemployment Trust Fund an amount that the  
12 Secretary of the Treasury, in consultation with the Sec-  
13 retary of Labor, determines is appropriate to ensure that  
14 the State account is not insolvent. In no case may the  
15 amount transferred to the State account under the pre-  
16 ceding sentence exceed \$1,000,000,000.

17           “(2)(A) Except as provided in paragraph (3), the  
18 amount transferred to the State account pursuant to this  
19 subsection may be used only in the payment of cash bene-  
20 fits—

21                       “(i) to individuals with respect to their unem-  
22 ployment; and

23                       “(ii) which are allowable under subparagraph  
24 (B) or (C).

1       “(B)(i) At the option of the State, cash benefits  
2 under this paragraph may include amounts which shall be  
3 payable as—

4               “(I) regular compensation; or

5               “(II) additional compensation, upon the exhaus-  
6 tion of any temporary extended unemployment com-  
7 pensation (if the State has entered into an agree-  
8 ment under part I of subtitle E of title III of the  
9 Hurricane Katrina Disaster Relief and Economic  
10 Recovery Act of 2005), for individuals eligible for  
11 regular compensation under the unemployment com-  
12 pensation law of the State.

13       “(ii) Any additional compensation under clause (i)  
14 may not be taken into account for purposes of any deter-  
15 mination relating to the amount of any extended com-  
16 pensation for which an individual might be eligible.

17       “(C)(i) At the option of the State, cash benefits  
18 under this paragraph may include amounts which shall be  
19 payable to 1 or more categories of individuals not other-  
20 wise eligible for regular compensation under the unem-  
21 ployment compensation law of the State, including those  
22 described in clause (iii).

23       “(ii) The benefits paid under this subparagraph to  
24 any individual may not, for any period of unemployment,  
25 exceed the maximum amount of regular compensation au-

1 thORIZED under the unemployment compensation law of the  
2 State for that same period, plus any additional compensa-  
3 tion (described in subparagraph (B)(i)) which could have  
4 been paid with respect to that amount.

5 “(iii) The categories of individuals described in this  
6 clause include the following:

7 “(I) Individuals who are seeking, or available  
8 for, only part-time (and not full-time) work.

9 “(II) Individuals who would be eligible for reg-  
10 ular compensation under the unemployment com-  
11 pensation law of such State under an alternative  
12 base period.

13 “(D) Amounts transferred to a State account under  
14 this subsection may be used in the payment of cash bene-  
15 fits to individuals only for weeks of unemployment begin-  
16 ning after the date of enactment of this subsection.

17 “(3) Amounts transferred to a State account under  
18 this subsection may be used for the administration of its  
19 unemployment compensation law and public employment  
20 offices (including in connection with benefits described in  
21 paragraph (2) and any recipients thereof), subject to the  
22 same conditions as set forth in subsection (c)(2) (exclud-  
23 ing subparagraph (B) thereof, and deeming the reference  
24 to ‘subsections (a) and (b)’ in subparagraph (D) thereof  
25 to include this subsection).

1       “(4) Transfers under this subsection shall be made  
2 within 90 days after the date of enactment of this para-  
3 graph.

4       “(5) STATE.—In this subsection, the term ‘State’  
5 means Louisiana.”.

6       (b) LIMITATIONS ON TRANSFERS.—Subsection (b) of  
7 section 903(b) of the Social Security Act (42 U.S.C. 1103)  
8 shall apply to transfers under subsection (e) of such sec-  
9 tion (as added by subsection (a)). For purposes of the pre-  
10 ceding sentence, such subsection (b) shall be deemed to  
11 be amended as follows:

12           (1) By substituting “the transfer date described  
13 in subsection (e)(4)” for “October 1 of any fiscal  
14 year”.

15           (2) By substituting “remain in the Federal un-  
16 employment account” for “be transferred to the  
17 Federal unemployment account as of the beginning  
18 of such October 1”.

19           (3) By substituting “fiscal year 2006 (after the  
20 transfer date described in subsection (e)(4))” for  
21 “the fiscal year beginning on such October 1”.

22           (4) By substituting “under subsection (e)” for  
23 “as of October 1 of such fiscal year”.



1           (5) By substituting “(as of the close of fiscal  
2           year 2006)” for “(as of the close of such fiscal  
3           year)”.

4           (c) TECHNICAL AMENDMENTS.—(1) Sections  
5 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue  
6 Code of 1986 are amended by striking “or 903(d)(4)” and  
7 inserting “, 903(d)(4), or 903(e)(3)”.

8           (2) Section 303(a)(5) of the Social Security Act (42  
9 U.S.C. 503(a)(5)) is amended in the second proviso by  
10 striking “or 903(d)(4)” and inserting “, 903(d)(4), or  
11 903(e)(3)”.

12          (d) REGULATIONS.—The Secretary of Labor may  
13 prescribe any operating instructions or regulations nec-  
14 essary to carry out this section and the amendments made  
15 by this section.

16 **Subtitle G—Assistance for Military**  
17 **Personnel and Defense Civilian**  
18 **Employees**

19 **SEC. 361. ASSISTANCE FOR MEMBERS OF THE UNIFORMED**  
20 **SERVICES FROM LOUISIANA.**

21          (a) DEPARTURE ALLOWANCES.—Funds available to  
22 the Department of Defense and Louisiana National Guard  
23 for the payment of departure allowances under section  
24 405a of title 37, United States Code, may be used to make  
25 payments of such allowances in connection with the reloca-

1 tion, from residences in parishes in the State of Louisiana  
2 designated by the President as major disaster areas pursu-  
3 ant to the Robert T. Stafford Disaster Relief and Emer-  
4 gency Assistance Act (42 U.S.C. 5121 et seq.) due to a  
5 natural disaster, of dependents of members of the uni-  
6 formed services serving on active duty and dependents of  
7 members of reserve components deployed in State service.  
8 The allowances authorized by this subsection shall be ret-  
9 roactive to August 28, 2005.

10 (b) COMPENSATION FOR UNINSURED LOSSES.—  
11 Funds available to the Department of Defense and the  
12 Louisiana National Guard shall be available, until Decem-  
13 ber 31, 2006, for the payment of up to \$50,000 per claim  
14 for personal property damage and losses incurred by mem-  
15 bers of the uniformed services, including members of re-  
16 serve components, on or after August 28, 2005, due to  
17 a natural disaster when those losses are incurred in par-  
18 ishes in the State of Louisiana designated by the Presi-  
19 dent as major disaster areas pursuant to the Robert T.  
20 Stafford Disaster Relief and Emergency Assistance Act  
21 (42 U.S.C. 5121 et seq.).

22 **SEC. 362. ASSISTANCE FOR CIVILIAN EMPLOYEES OF THE**  
23 **DEPARTMENT OF DEFENSE.**

24 The departure of civilian employees of the Depart-  
25 ment of Defense and their dependents from parishes in

1 the State of Louisiana designated by the President as  
2 major disaster areas pursuant to the Robert T. Stafford  
3 Disaster Relief and Emergency Assistance Act (42 U.S.C.  
4 5121 et seq.) due to a natural disaster on or after August  
5 28, 2005, shall be considered an evacuation for the pur-  
6 pose of section 5725 of title 5, United States Code.

7 **TITLE IV—PUBLIC RELIEF,**  
8 **SMALL BUSINESS, AND AGRI-**  
9 **CULTURE RECOVERY**  
10 **Subtitle A—Education Assistance**

11 **SEC. 401. FEDERAL WORK STUDY.**

12 (a) **WAIVER OF 7 PERCENT REQUIREMENT.**—In ad-  
13 ministering the Federal work-study program under part  
14 C of title IV of the Higher Education Act of 1965 (42  
15 U.S.C. 2751 et seq.), the Secretary of Education shall  
16 waive the requirement of section 443(b)(2)(B) of such Act  
17 (42 U.S.C. 2753) for fiscal year 2005 for an institution  
18 of higher education described in subsection (b), including  
19 waiving any penalty or reduction in funds associated with  
20 such section for such institution for academic years 2005–  
21 2006 and 2006–2007.

22 (b) **INSTITUTION OF HIGHER EDUCATION.**—An insti-  
23 tution of higher education described in this subsection is  
24 an institution of higher education, as defined in sections

1 101 and 102 of the Higher Education Act of 1965 (20  
2 U.S.C. 1001, 1002), that—

3 (1) is located in an area in which an emergency  
4 or major disaster was declared under section 401 of  
5 the Robert T. Stafford Disaster Relief and Emer-  
6 gency Assistance Act (42 U.S.C. 5170) due to the  
7 effects of Hurricane Katrina;

8 (2) entered into an agreement with the Sec-  
9 retary under part C of title IV of such Act (42  
10 U.S.C. 2751 et seq.) for fiscal year 2005; and

11 (3) failed to expend the required 7 percent of  
12 funds under section 443(b)(2)(B) of such Act (42  
13 U.S.C. 2753(b)(2)(B)) by August 29, 2005.

14 **SEC. 402. ELIGIBILITY OF HOSPITALS FOR ASSISTANCE.**

15 Title III of the Robert T. Stafford Disaster Relief  
16 and Emergency Assistance Act (42 U.S.C. 5141 et seq.)  
17 is amended by adding at the end the following:

18 **“SEC. 326. ELIGIBILITY OF HOSPITALS FOR ASSISTANCE.**

19 Notwithstanding any other provision of law, for any  
20 major disaster declared under section 401 on or after Au-  
21 gust 1, 2005, the eligibility of a hospital to receive assist-  
22 ance under this Act shall be determined without regard  
23 to whether the hospital is a private nonprofit facility.”.

1 **SEC. 403. ASSISTANCE FOR STUDENTS AFFECTED BY HUR-**  
2 **RICANE KATRINA.**

3 (a) DEFERMENT OF LOANS UNDER TITLE IV.—An  
4 affected student who was enrolled in an institution of  
5 higher education on August 29, 2005, and whose attend-  
6 ance at such institution was interrupted because of the  
7 impact of Hurricane Katrina on the student or on the in-  
8 stitution, shall be placed in deferment status with respect  
9 to loans made, insured, or guaranteed under title IV of  
10 the Higher Education Act of 1965 (20 U.S.C. 1070 et  
11 seq.) for such student for the period beginning on August  
12 29, 2005, and ending on the date such student enrolls in  
13 an institution of higher education on not less than a half-  
14 time basis or the date that is 180 days after August 29,  
15 2005, whichever date is earlier.

16 (b) RECALCULATION OF THE EXPECTED FAMILY  
17 CONTRIBUTION.—Notwithstanding part F of title IV of  
18 the Higher Education Act of 1965 (20 U.S.C. 1087kk et  
19 seq.), for the 2005–2006 and 2006–2007 award years, the  
20 Secretary of Education shall calculate the amount of need  
21 of an affected student for financial assistance under title  
22 IV of such Act as if such student had an expected family  
23 contribution equal to zero.

24 (c) AFFECTED STUDENT.—In this section, the term  
25 “affected student” means a student who was residing in,  
26 employed in, or attending an institution of higher edu-

1 cation that is located in, an area in which the President  
2 has declared that a major disaster exists, in accordance  
3 with section 401 of the Robert T. Stafford Disaster Relief  
4 and Emergency Assistance Act (42 U.S.C. 5170) due to  
5 the effects of Hurricane Katrina.

## 6           **Subtitle B—Small Business** 7                           **Recovery**

### 8   **SEC. 411. DISASTER LOANS.**

9           Section 7(b) of the Small Business Act (15 U.S.C.  
10 636(b)) is amended by inserting immediately after para-  
11 graph (3) the following:

12                   “(4) DISASTER LOANS AFTER HURRICANE  
13           KATRINA.—

14                           “(A) ADDITIONAL LOAN AUTHORITY.—

15                                   “(i) LOANS TO SMALL BUSINESSES.—

16                                   In addition to any other loan authorized by  
17                                   this subsection, the Administrator may  
18                                   make such loans under this subsection (ei-  
19                                   ther directly or in cooperation with banks  
20                                   or other lending institutions through agree-  
21                                   ments to participate on an immediate or  
22                                   deferred basis) as the Administrator deter-  
23                                   mines appropriate to a small business con-  
24                                   cern or small agricultural cooperative that  
25                                   demonstrates a direct adverse economic

1 impact caused by Hurricane Katrina,  
2 based on such criteria as the Adminis-  
3 trator may set by rule, regulation, or  
4 order.

5 “(ii) LOANS TO NONPROFITS.—In ad-  
6 dition to any other loan authorized by this  
7 subsection, the Administrator may make  
8 such loans under this subsection (either di-  
9 rectly or in cooperation with banks or  
10 other lending institutions through agree-  
11 ments to participate on an immediate or  
12 deferred basis) as the Administrator deter-  
13 mines appropriate to a non-profit organiza-  
14 tion for purposes of repairing damage  
15 caused by Hurricane Katrina or per-  
16 forming other hurricane relief services in a  
17 damaged area.

18 “(B) INCREASED LOAN CAPS.—

19 “(i) AGGREGATE LOAN AMOUNTS.—  
20 Except as provided in clause (ii), the ag-  
21 gregate loan amount outstanding and com-  
22 mitted to a qualified borrower under this  
23 paragraph may not exceed \$10,000,000.

24 “(ii) WAIVER AUTHORITY.—The Ad-  
25 ministrator may, at the discretion of the

1 Administrator, waive the aggregate loan  
2 amount established under clause (i).

3 “(C) DEFERMENT OF DISASTER LOAN PAY-  
4 MENTS.—

5 “(i) IN GENERAL.—Notwithstanding  
6 any other provision of law, payments of  
7 principal and interest on a loan to a quali-  
8 fied borrower made under this subsection  
9 before, on, or after the date of enactment  
10 of this paragraph shall be deferred, and no  
11 interest shall accrue with respect to such  
12 loan, during the time period described in  
13 clause (ii).

14 “(ii) TIME PERIOD.—The time period  
15 for purposes of clause (i) shall be 1 year  
16 from the later of the date of enactment of  
17 this paragraph or the date of issuance of  
18 a loan described in clause (i), but may be  
19 extended to 2 years from such date, at the  
20 discretion of the Administrator.

21 “(iii) RESUMPTION OF PAYMENTS.—  
22 At the end of the time period described in  
23 clause (ii), the payment of periodic install-  
24 ments of principal and interest shall be re-  
25 quired with respect to such loan, in the



1 same manner and subject to the same  
2 terms and conditions as would otherwise be  
3 applicable to any other loan made under  
4 this subsection.

5 “(D) DEFINITIONS.—In this paragraph,  
6 the following definitions shall apply:

7 “(i) DAMAGED AREA.—The term  
8 ‘damaged area’ means an area which the  
9 President has designated as a disaster area  
10 as a result of Hurricane Katrina of August  
11 2005.

12 “(ii) QUALIFIED BORROWER.—The  
13 term ‘qualified borrower’ means a small  
14 business concern or non-profit organiza-  
15 tion—

16 “(I) located in a damaged area;  
17 or

18 “(II) located in a State contig-  
19 uous to a damaged area that is using,  
20 or intends to use, a loan made under  
21 this subsection for purposes of re-  
22 building or conducting operations in a  
23 damaged area.”.

1 **SEC. 412. DEVELOPMENT COMPANY DEBENTURES.**

2 Section 503 of the Small Business Investment Act  
3 of 1958 (15 U.S.C. 697) is amended by adding at the end  
4 the following:

5 “(j) DEBENTURES AFTER HURRICANE KATRINA.—

6 “(1) AUTHORITY.—

7 “(A) IN GENERAL.—In addition to any  
8 other guarantee authorized by this section, the  
9 Administrator may guarantee the timely pay-  
10 ment of all principal and interest as scheduled  
11 on any debenture issued to a qualified borrower  
12 for purposes of rebuilding or resuming oper-  
13 ations in a damaged area, as the Administrator  
14 determines appropriate.

15 “(B) TERMS.—The Administrator shall es-  
16 tablish a fee for a guarantee issued under sub-  
17 paragraph (A) that is lower than that for other  
18 guarantees under this section.

19 “(2) EXISTING GUARANTEES.—

20 “(A) IN GENERAL.—Notwithstanding any  
21 other provision of law, the Administrator may  
22 temporarily defer payments of principal and in-  
23 terest on a guarantee made to a qualified bor-  
24 rower under this section before the date of en-  
25 actment of this subsection to a small business  
26 concern in a damaged area, in any case in

1           which the payments are owed to the Adminis-  
2           tration.

3           “(B) PAYMENTS TO OTHER PARTIES.—  
4           Notwithstanding any other provision of law, the  
5           Administrator may temporarily make payments  
6           of principal and interest on a loan made under  
7           this section before the date of enactment of this  
8           subsection to a qualified borrower, in any case  
9           in which the payments are owed to a person  
10          other than the Administration.

11          “(C) TERMINATION OF AUTHORITY.—The  
12          authority to defer, or make, payments under  
13          this paragraph shall terminate 1 year after the  
14          date of enactment of this subsection.

15          “(3) DEFINITIONS.—In this subsection, the fol-  
16          lowing definitions shall apply:

17                  “(A) DAMAGED AREA.—The term ‘dam-  
18                  aged area’ means an area which the President  
19                  has designated as a disaster area as a result of  
20                  Hurricane Katrina of August 2005.

21                  “(B) QUALIFIED BORROWER.—The term  
22                  ‘qualified borrower’ means a small business con-  
23                  cern—

24                                  “(i) located in a damaged area; or

1                   “(ii) that demonstrates a direct ad-  
2                   verse economic impact caused by Hurri-  
3                   cane Katrina, based on such criteria as the  
4                   Administrator may set by rule, regulation,  
5                   or order.”.

6 **SEC. 413. SMALL BUSINESS EMERGENCY RELIEF.**

7           (a) DEFINITIONS.—As used in this subtitle—

8                   (1) the term “small business concern” has the  
9                   same meaning as in section 3 of the Small Business  
10                  Act; and

11                  (2) the terms “Administration” and “Adminis-  
12                  trator” mean the Small Business Administration  
13                  and the Administrator thereof, respectively.

14           (b) BUSINESS LOAN PROGRAMS.—Section  
15 20(e)(1)(B) of the Small Business Act (15 U.S.C. 631  
16 note) is amended—

17                   (1) by striking “\$25,050,000,000” and insert-  
18                   ing “\$30,550,000,000”;

19                   (2) in clause (i), by striking “\$17,000,000,000”  
20                   and inserting “\$20,000,000,000”; and

21                   (3) in clause (ii), by striking “\$7,500,000,000”  
22                   and inserting “\$10,000,000,000”.

23           (c) APPROPRIATION.—

24                   (1) IN GENERAL.—There is authorized to be  
25                   appropriated, and there is appropriated, to the De-

1       partment of Commerce \$150,000,000 to provide,  
2       through the Louisiana Department of Economic De-  
3       velopment, bridge grants and loans to small business  
4       concerns located in the area which the President has  
5       designated as a disaster area as a result of Hurri-  
6       cane Katrina, to assist in covering costs of such con-  
7       cerns until they are able to obtain loans through Ad-  
8       ministration assistance programs or other sources.

9               (2) TERMS.—For a loan made with funds ap-  
10       propriated under paragraph (1)—

11               (A) such a loan shall initially be a  
12       noncollateralized, low-interest loan;

13               (B) the first payment on such a loan shall  
14       be deferred for at least 1 year after the date on  
15       which the loan is made;

16               (C) the balance remaining on such a loan  
17       5 years after the date on which the loan is  
18       made shall be forgiven entirely by the Louisiana  
19       Department of Economic Development if the  
20       borrower has continued to operate in the area  
21       which the President has designated as a dis-  
22       aster area as a result of Hurricane Katrina  
23       during that 5-year period; and

24               (D) such a loan may be forgiven by the  
25       Louisiana Department of Economic Develop-

1           ment, under such terms as it may set, if the  
2           borrower cannot repay such loan.

3           (d) DISASTER LOAN ADDITIONAL AMOUNTS.—In ad-  
4           dition to any other amounts otherwise appropriated for  
5           such purpose, there is authorized to be appropriated, and  
6           there is appropriated, to the Administration \$86,000,000,  
7           to make loans under section 7(b) of the Small Business  
8           Act.

9           (e) OTHER DISASTER LOANS FOLLOWING HURRI-  
10          CANE KATRINA.—

11           (1) IN GENERAL.—Paragraph (4) of section  
12           7(b) of the Small Business Act (15 U.S.C. 636(b)),  
13           as added by this subtitle, is amended by adding at  
14           the end the following:

15                   “(E) REFINANCING DISASTER LOANS  
16                   AFTER HURRICANE KATRINA.—

17                           “(i) IN GENERAL.—Any loan made  
18                           under this subsection that was outstanding  
19                           as to principal or interest on August 24,  
20                           2005, may be refinanced by a small busi-  
21                           ness concern that is located in an area des-  
22                           ignated by the President as a disaster area  
23                           as a result of Hurricane Katrina of 2005  
24                           (in this paragraph referred to as the ‘dis-  
25                           aster area’), and the refinanced amount

1 shall be considered to be part of the new  
2 loan for purposes of this subparagraph.

3 “(ii) NO EFFECT ON ELIGIBILITY.—A  
4 refinancing under clause (i) by a small  
5 business concern shall be in addition to  
6 any other loan eligibility for that small  
7 business concern under this Act.

8 “(F) REFINANCING BUSINESS DEBT.—

9 “(i) IN GENERAL.—Any business debt  
10 of a small business concern that was out-  
11 standing as to principal or interest on Au-  
12 gust 24, 2005, may be refinanced by the  
13 small business concern if it is, or was on  
14 that date, located in the disaster area.  
15 With respect to a refinancing under this  
16 clause, payments of principal shall be de-  
17 ferred, and interest may accrue, during the  
18 1-year period following the date of refi-  
19 nancing, and the refinanced amount shall  
20 be considered to be part of a new loan for  
21 purposes of this subparagraph.

22 “(ii) RESUMPTION OF PAYMENTS.—At  
23 the end of the 1-year period described in  
24 clause (i), the payment of periodic install-  
25 ments of principal and interest shall be re-

1           required with respect to such loan, in the  
2           same manner and subject to the same  
3           terms and conditions as would otherwise be  
4           applicable to any other loan made under  
5           this subsection.

6           “(G) TERMS.—A loan under subparagraph  
7           (E) or (F) shall be made at the same interest  
8           rate as economic injury loans under paragraph  
9           (2).

10           “(H) EXTENDED APPLICATION PERIOD.—  
11           Notwithstanding any other provision of law, the  
12           Administrator shall accept applications for as-  
13           sistance under paragraphs (1) and (4) until 1  
14           year after the date on which the President des-  
15           ignated the area as a disaster area as a result  
16           of Hurricane Katrina.

17           “(I) NO SALE.—No loan under this sub-  
18           section made as a result of Hurricane Katrina  
19           may be sold.”.

20           (2) CLERICAL AMENDMENTS.—Section 7(b) of  
21           the Small Business Act (15 U.S.C. 636(b)) is  
22           amended in the undesignated matter at the end—

23                   (A) by striking “, (2), and (4)” and insert-  
24                   ing “and (2)”; and



1 (B) by striking “, (2), or (4)” and insert-  
2 ing “(2)”.

3 **SEC. 414. ENTREPRENEURIAL DEVELOPMENT.**

4 In addition to any other amounts authorized for any  
5 fiscal year, there is authorized to be appropriated, and  
6 there is appropriated, to the Administration, to remain  
7 available until expended—

8 (1) \$21,000,000, to be used for activities of  
9 small business development centers pursuant to sec-  
10 tion 21 of the Small Business Act, \$15,000,000 of  
11 which shall be non-matching funds and used to aid  
12 and assist small business concerns affected by Hur-  
13 ricane Katrina;

14 (2) \$2,000,000, to be used for the SCORE pro-  
15 gram authorized by section 8(b)(1) of the Small  
16 Business Act, for the activities described in section  
17 8(b)(1)(B)(ii) of that Act, \$1,000,000 of which shall  
18 be used to aid and assist small business concerns af-  
19 fected by Hurricane Katrina;

20 (3) \$4,500,000, to be used for activities of  
21 women’s business centers authorized by section  
22 29(b) of the Small Business Act and for recipients  
23 of a grant under section 29(l) of that Act,  
24 \$2,500,000 of which shall be non-matching funds  
25 used to aid and assist small business concerns af-

1        fected by Hurricane Katrina, which may also be  
2        made available to a women’s business center whose  
3        5-year project ended in fiscal year 2004;

4            (4) \$1,250,000, to be used for activities of the  
5        office of veteran’s business development pursuant to  
6        section 32 of the Small Business Act, \$750,000 of  
7        which shall be used to aid and assist small business  
8        concerns affected by Hurricane Katrina; and

9            (5) \$5,000,000, to be used for activities of the  
10        microloan program authorized by clauses (ii) and  
11        (iii) of section 7(m)(1)(G) of the Small Business Act  
12        to aid and assist small business concerns adversely  
13        affected by Hurricane Katrina.

14    **SEC. 415. SMALL BUSINESS DEVELOPMENT CENTERS.**

15        Section 21(a)(4) of the Small Business Act (15  
16    U.S.C. 648(a)(4)) is amended by adding at the end the  
17    following:

18            “(D) FISCAL YEARS 2005 AND 2006.—For  
19        fiscal years 2005 and 2006, the Administrator  
20        has the authority to waive the maximum  
21        amount of \$100,000 for grants under subpara-  
22        graph (C)(viii) for small business development  
23        centers assisting small business concerns ad-  
24        versely affected by Hurricane Katrina.”.

1 **SEC. 416. HUBZONES.**

2 Section 3(p)(1) of the Small Business Act (15 U.S.C.  
3 632(p)(1)) is amended—

4 (1) in subparagraph (D), by striking “or”;

5 (2) in subparagraph (E), by striking the period  
6 and inserting “; or”; and

7 (3) by adding at the end the following:

8 “(F) the Hurricane Katrina disaster area,  
9 as designated by the Administrator.”.

10 **SEC. 417. OUTREACH PROGRAMS.**

11 (a) IN GENERAL.—Not later than 90 days after the  
12 date of enactment of this Act, the Administrator shall es-  
13 tablish a contracting outreach and technical assistance  
14 program for small business concerns which have had a pri-  
15 mary place of business in, or other significant presence  
16 in the Hurricane Katrina disaster area at any time fol-  
17 lowing the 60 days prior to the designation of such area  
18 by the Administrator.

19 (b) ADMINISTRATOR ACTION.—The Administrator  
20 may fulfill the requirement of subsection (a) by acting  
21 through—

22 (1) the Administration;

23 (2) the Federal agency small business officials  
24 designated under section 15(k)(1) of the Small Busi-  
25 ness Act (15 U.S.C. 644(k)(1)); or

1           (3) any Federal, State, or local government en-  
2           tity, higher education institution, or private non-  
3           profit organization that the Administrator may deem  
4           appropriate, upon conclusion of a memorandum of  
5           understanding or assistance agreement, as appro-  
6           priate, with the Administrator.

7 **SEC. 418. SMALL BUSINESS BONDING THRESHOLD.**

8           Notwithstanding any other provision of law, for all  
9           procurements related to Hurricane Katrina, the Adminis-  
10          trator may, upon such terms and conditions as it may pre-  
11          scribe, guarantee and enter into commitments to guar-  
12          antee any surety against loss resulting from a breach of  
13          the terms of a bid bond, payment bond, performance bond,  
14          or bonds ancillary thereto, by a principal on any total work  
15          order or contract amount at the time of bond execution  
16          that does not exceed \$10,000,000.

17 **SEC. 419. SUPPLEMENTAL EMERGENCY LOANS.**

18          (a) IN GENERAL.—Section 7(a) of the Small Busi-  
19          ness Act (15 U.S.C. 636(a)) is amended by adding at the  
20          end the following:

21                 “(32) SUPPLEMENTAL EMERGENCY LOANS  
22                 AFTER HURRICANE KATRINA.—

23                         “(A) LOAN AUTHORITY.—In addition to  
24                         any other loan authorized by this subsection,  
25                         the Administrator shall make such loans under

1 this subsection (either directly or in cooperation  
2 with banks or other lending institutions through  
3 agreements to participate on an immediate or  
4 deferred basis) as the Administrator determines  
5 appropriate to a small business concern ad-  
6 versely affected by Hurricane Katrina, subject  
7 to subparagraph (B).

8 “(B) OVERSIGHT PROTECTIONS.—In mak-  
9 ing any loan under subparagraph (A)—

10 “(i) the borrower shall be made aware  
11 that such loans are for those adversely af-  
12 fected by Hurricane Katrina; and

13 “(ii) if such loans are made in co-  
14 operation with a bank or other lending in-  
15 stitution—

16 “(I) lenders shall document for  
17 the Administrator how the borrower  
18 was adversely affected by Hurricane  
19 Katrina, whether directly, or indi-  
20 rectly; and

21 “(II) not later than 6 months  
22 after the date of enactment of this  
23 paragraph, and every 6 months there-  
24 after until the date that is 18 months  
25 after the date of enactment of this

1 paragraph, the Comptroller General  
2 shall make a report regarding such  
3 loans to the Committee on Small  
4 Business and Entrepreneurship of the  
5 Senate and the Committee on Small  
6 Business of the House of Representa-  
7 tives, including verification that such  
8 loans are being used for purposes au-  
9 thorized by this paragraph.

10 “(C) FEES.—

11 “(i) IN GENERAL.—Notwithstanding  
12 any other provision of law, the Adminis-  
13 trator shall, in lieu of the fee established  
14 under paragraph (23)(A), collect an annual  
15 fee of 0.25 percent of the outstanding bal-  
16 ance of deferred participation loans made  
17 under this subsection to qualified bor-  
18 rowers for a period of 1 year after the date  
19 of enactment of this paragraph.

20 “(ii) GUARANTEE FEES.—Notwith-  
21 standing any other provision of law, the  
22 guarantee fee under paragraph (18)(A) for  
23 a period of 1 year after the date of enact-  
24 ment of this subparagraph shall be as fol-  
25 lows:

1           “(I) A guarantee fee equal to 1  
2           percent of the deferred participation  
3           share of a total loan amount that is  
4           not more than \$150,000.

5           “(II) A guarantee fee equal to  
6           2.5 percent of the deferred participa-  
7           tion share of a total loan amount that  
8           is more than \$150,000, but not more  
9           than \$700,000.

10           “(III) A guarantee fee equal to  
11           3.5 percent of the deferred participa-  
12           tion share of a total loan amount that  
13           is more than \$700,000.”.

14           (b) APPROPRIATION.—There is authorized to be ap-  
15           propriated, and there is appropriated, \$75,000,000 to  
16           carry out section 7(a)(32) of the Small Business Act, as  
17           amended by subsection (a).

18           **SEC. 420. SMALL BUSINESS PARTICIPATION.**

19           In order to facilitate the maximum practicable par-  
20           ticipation of small business concerns in activities related  
21           to relief and recovery from Hurricane Katrina, the Admin-  
22           istrator and the head of any Federal agency making pro-  
23           curements related to the aftermath of Hurricane Katrina,  
24           shall set a goal, to be met within a reasonable time, of  
25           awarding to small business concerns not less than 30 per-

1 cent of amounts expended for prime contracts and not less  
2 than 40 percent of amounts expended for subcontracts on  
3 procurements by such agency related to the aftermath of  
4 Hurricane Katrina.

5 **SEC. 421. ENERGY EMERGENCY RELIEF.**

6 (a) SMALL BUSINESS AND FARM ENERGY EMER-  
7 GENCY DISASTER LOAN PROGRAM.—

8 (1) SMALL BUSINESS DISASTER LOAN AUTHOR-  
9 ITY.—Section 7(b) of the Small Business Act (15  
10 U.S.C. 636(b)) is amended by inserting immediately  
11 after paragraph (4), as added by this subtitle, the  
12 following:

13 “(5)(A) For purposes of this paragraph—

14 “(i) the term ‘base price index’ means the  
15 moving average of the closing unit price on the  
16 New York Mercantile Exchange for heating oil,  
17 natural gas, gasoline, or propane for the 10  
18 days, in each of the most recent 2 preceding  
19 years, which correspond to the trading days de-  
20 scribed in clause (ii);

21 “(ii) the term ‘current price index’ means  
22 the moving average of the closing unit price on  
23 the New York Mercantile Exchange, for the 10  
24 most recent trading days, for contracts to pur-  
25 chase heating oil, natural gas, gasoline, or pro-



1 pane during the subsequent calendar month,  
2 commonly known as the ‘front month’;

3 “(iii) the term ‘significant increase’  
4 means—

5 “(I) with respect to the price of heat-  
6 ing oil, natural gas, gasoline, or propane,  
7 any time the current price index exceeds  
8 the base price index by not less than 40  
9 percent; and

10 “(II) with respect to the price of ker-  
11 osene, any increase which the Adminis-  
12 trator, in consultation with the Secretary  
13 of Energy, determines to be significant;  
14 and

15 “(iv) a small business concern engaged in  
16 the heating oil business is eligible for a loan, if  
17 the small business concern sells not more than  
18 10,000,000 gallons of heating oil per year.

19 “(B) The Administration may make such loans,  
20 either directly or in cooperation with banks or other  
21 lending institutions through agreements to partici-  
22 pate on an immediate or deferred basis, to assist a  
23 small business concern that has suffered or that is  
24 likely to suffer substantial economic injury on or  
25 after January 1, 2005, as the result of a significant

1 increase in the price of heating oil, natural gas, gas-  
2 oline, propane, or kerosene occurring on or after  
3 January 1, 2005.

4 “(C) Any loan or guarantee extended pursuant  
5 to this paragraph shall be made at the same interest  
6 rate as economic injury loans under paragraph (2).

7 “(D) No loan may be made under this para-  
8 graph, either directly or in cooperation with banks  
9 or other lending institutions through agreements to  
10 participate on an immediate or deferred basis, if the  
11 total amount outstanding and committed to the bor-  
12 rower under this subsection would exceed  
13 \$1,500,000, unless such borrower constitutes a  
14 major source of employment in its surrounding area,  
15 as determined by the Administrator, in which case  
16 the Administrator, in its discretion, may waive the  
17 \$1,500,000 limitation.

18 “(E) For purposes of assistance under this  
19 paragraph—

20 “(i) a declaration of a disaster area based  
21 on conditions specified in this paragraph shall  
22 be required, and shall be made by the President  
23 or the Administrator; or

24 “(ii) if no declaration has been made pur-  
25 suant to clause (i), the Governor of a State in

1           which a significant increase in the price of heat-  
2           ing oil, natural gas, gasoline, propane, or ker-  
3           osene has occurred may certify to the Adminis-  
4           tration that small business concerns have suf-  
5           fered economic injury as a result of such in-  
6           crease and are in need of financial assistance  
7           which is not otherwise available on reasonable  
8           terms in that State, and upon receipt of such  
9           certification, the Administration may make such  
10          loans as would have been available under this  
11          paragraph if a disaster declaration had been  
12          issued.

13           “(F) Notwithstanding any other provision of  
14          law, loans made under this paragraph may be used  
15          by a small business concern described in subpara-  
16          graph (B) to convert from the use of heating oil,  
17          natural gas, gasoline, propane, or kerosene to a re-  
18          newable or alternative energy source, including agri-  
19          culture and urban waste, geothermal energy, cogen-  
20          eration, solar energy, wind energy, or fuel cells.”.

21           (2) CONFORMING AMENDMENTS.—Section 3(k)  
22          of the Small Business Act (15 U.S.C. 632(k)) is  
23          amended—

24                   (A) by inserting “, significant increase in  
25                   the price of heating oil, natural gas, gasoline,

1 propane, or kerosene” after “civil disorders”;  
2 and

3 (B) by inserting “other” before “eco-  
4 nomic”.

5 (3) REPORT.—Not later than 12 months after  
6 the date on which the Administrator issues guide-  
7 lines under subsection (c)(1), and annually there-  
8 after, the Administrator shall submit to the Com-  
9 mittee on Small Business and Entrepreneurship of  
10 the Senate and the Committee on Small Business of  
11 the House of Representatives, a report on the effec-  
12 tiveness of the assistance made available under sec-  
13 tion 7(b)(5) of the Small Business Act, as added by  
14 this subsection, including—

15 (A) the number of small business concerns  
16 that applied for a loan under that section  
17 7(b)(5) and the number of those that received  
18 such loans;

19 (B) the dollar value of those loans;

20 (C) the States in which the small business  
21 concerns that received such loans are located;

22 (D) the type of energy that caused the sig-  
23 nificant increase in the cost for the partici-  
24 pating small business concerns; and

1           (E) recommendations for ways to improve  
2           the assistance provided under that section  
3           7(b)(5), if any.

4           (4) EFFECTIVE DATE.—The amendments made  
5           by this subsection shall apply during the 4-year pe-  
6           riod beginning on the earlier of the date on which  
7           guidelines are published by the Administrator under  
8           subsection (c)(1), or 30 days after the date of enact-  
9           ment of this Act, with respect to assistance under  
10          section 7(b)(5) of the Small Business Act, as added  
11          by this subsection.

12          (b) FARM ENERGY EMERGENCY RELIEF.—

13           (1) IN GENERAL.—Section 321(a) of the Con-  
14          solidated Farm and Rural Development Act (7  
15          U.S.C. 1961(a)) is amended—

16           (A) in the first sentence—

17           (i) by striking “operations have” and  
18           inserting “operations (i) have”; and

19           (ii) by inserting before “: *Provided*,”  
20          the following: “, or (ii)(I) are owned or op-  
21          erated by such an applicant that is also a  
22          small business concern (as defined in sec-  
23          tion 3 of the Small Business Act (15  
24          U.S.C. 632)), and (II) have suffered or are  
25          likely to suffer substantial economic injury

1 on or after January 1, 2005, as the result  
2 of a significant increase in energy costs or  
3 input costs from energy sources occurring  
4 on or after January 1, 2005, in connection  
5 with an energy emergency declared by the  
6 President or the Secretary”;

7 (B) in the third sentence, by inserting be-  
8 fore the period at the end the following: “or by  
9 an energy emergency declared by the President  
10 or the Secretary”; and

11 (C) in the fourth sentence—

12 (i) by inserting “or energy emer-  
13 gency” after “natural disaster” each place  
14 that term appears; and

15 (ii) by inserting “or declaration” after  
16 “emergency designation”.

17 (2) FUNDING.—Funds available on the date of  
18 enactment of this Act for emergency loans under  
19 subtitle C of the Consolidated Farm and Rural De-  
20 velopment Act (7 U.S.C. 1961 et seq.) shall be avail-  
21 able to carry out the amendments made by para-  
22 graph (1) to meet the needs resulting from natural  
23 disasters.

24 (3) REPORT.—Not later than 12 months after  
25 the date on which the Secretary of Agriculture

1 issues guidelines under subsection (c)(1), and annu-  
2 ally thereafter, the Secretary shall submit to the  
3 Committee on Small Business and Entrepreneurship  
4 and the Committee on Agriculture, Nutrition, and  
5 Forestry of the Senate and to the Committee on  
6 Small Business and the Committee on Agriculture of  
7 the House of Representatives, a report that—

8 (A) describes the effectiveness of the as-  
9 sistance made available under section 321(a) of  
10 the Consolidated Farm and Rural Development  
11 Act (7 U.S.C. 1961(a)), as amended by this  
12 subsection; and

13 (B) contains recommendations for ways to  
14 improve the assistance provided under such sec-  
15 tion 321(a).

16 (4) EFFECTIVE DATE.—The amendments made  
17 by this subsection shall apply during the 4-year pe-  
18 riod beginning on the earlier of the date on which  
19 guidelines are published by the Secretary of Agri-  
20 culture under subsection (c)(1), or 30 days after the  
21 date of enactment of this Act, with respect to assist-  
22 ance under section 321(a) of the Consolidated Farm  
23 and Rural Development Act (7 U.S.C. 1961(a)), as  
24 amended by this subsection.

25 (c) GUIDELINES AND RULEMAKING.—

1           (1) GUIDELINES.—Not later than 30 days after  
2           the date of enactment of this Act, the Administrator  
3           and the Secretary of Agriculture shall each issue  
4           guidelines to carry out subsections (a) and (b), re-  
5           spectively, and the amendments made thereby, which  
6           guidelines shall become effective on the date of their  
7           issuance.

8           (2) RULEMAKING.—Not later than 30 days  
9           after the date of enactment of this Act, the Adminis-  
10          trator, after consultation with the Secretary of En-  
11          ergy, shall promulgate regulations specifying the  
12          method for determining a significant increase in the  
13          price of kerosene under section 7(b)(5)(A)(iii)(II) of  
14          the Small Business Act, as added by this section.

15 **SEC. 422. BUDGETARY TREATMENT OF LOANS AND**  
16 **FINANCINGS.**

17          (a) IN GENERAL.—Assistance made available under  
18          any loan made or approved by the Administration under  
19          this subtitle, subsections (a) or (b) of section 7 of the  
20          Small Business Act (15 U.S.C. 636(a)), as amended by  
21          this subtitle, except for subsection 7(a)(23)(C), or  
22          financings made under title V of the Small Business In-  
23          vestment Act of 1958 (15 U.S.C. 695 et seq.), as amended  
24          by this subtitle, on and after the date of enactment of this  
25          Act, shall be treated as separate programs of the Adminis-



1 tration for purposes of the Federal Credit Reform Act of  
2 1990 only.

3 (b) USE OF FUNDS.—Assistance under this subtitle  
4 and the amendments made by this subtitle shall be avail-  
5 able only to the extent that funds are made available  
6 under appropriations Acts, which funds shall be utilized  
7 to offset the cost (as such term is defined in section 502  
8 of the Federal Credit Reform Act of 1990) of such assist-  
9 ance.

10 **SEC. 423. EMERGENCY SPENDING.**

11 Appropriations under this subtitle are designated as  
12 emergency spending, as provided under section 402 of H.  
13 Con. Res. 95 (109th Congress).

14 **Subtitle C—Agriculture**

15 **SEC. 431. SHORT TITLE.**

16 This subtitle may be cited as the “Louisiana Hurri-  
17 cane Katrina Agricultural Disaster Relief Act of 2005”.

18 **SEC. 432. APPLICATION TO LOUISIANA PARISHES DES-**  
19 **IGNATED AS DISASTER AREAS DUE TO HUR-**  
20 **RICANE KATRINA OR RELATED CONDITIONS.**

21 In this subtitle, the term “disaster parish” means a  
22 parish in the State of Louisiana, all or a portion of which  
23 is included in the geographic area covered by a natural  
24 disaster declaration—

1           (1) made by the Secretary of Agriculture under  
2           section 321(a) of the Consolidated Farm and Rural  
3           Development Act (7 U.S.C. 1961(a)) due to Hurri-  
4           cane Katrina or related conditions; or

5           (2) made by the President under the Robert T.  
6           Stafford Disaster Relief and Emergency Assistance  
7           Act (42 U.S.C. 5121 et seq.) due to Hurricane  
8           Katrina or related conditions.

9   **SEC. 433. CROP DISASTER ASSISTANCE.**

10       (a) EMERGENCY FINANCIAL ASSISTANCE.—Notwith-  
11       standing section 508(b)(7) of the Federal Crop Insurance  
12       Act (7 U.S.C. 1508(b)(7)), the Secretary of Agriculture  
13       shall use \$25,000,000 of the funds of the Commodity  
14       Credit Corporation to make emergency financial assist-  
15       ance authorized under this section available to producers  
16       on a farm in a disaster parish (other than producers of  
17       sugar cane) that have incurred qualifying crop or quality  
18       losses for the 2005 crop of an insurable commodity or non-  
19       insurable commodity due to Hurricane Katrina or a re-  
20       lated condition. In the case strawberries, assistance under  
21       this section shall be available for the 2005 and 2006 crops  
22       for damages to such crops due to Hurricane Katrina or  
23       a related condition.

24       (b) ADMINISTRATION.—The Secretary of Agriculture  
25       shall make assistance available under this section in the

1 same manner as provided under section 815 of the Agri-  
2 culture, Rural Development, Food and Drug Administra-  
3 tion, and Related Agencies Appropriations Act, 2001  
4 (Public Law 106–387; 114 Stat. 1549A–55), including  
5 using the same loss thresholds for the quantity and quality  
6 losses as were used in administering that section.

7 (c) INELIGIBILITY FOR ASSISTANCE.—Except as pro-  
8 vided in subsection (d), the producers on a farm shall not  
9 be eligible for assistance under this section with respect  
10 to losses to an insurable commodity or noninsurable com-  
11 modity if the producers on the farm—

12 (1) in the case of an insurable commodity, did  
13 not obtain a policy or plan of insurance for the in-  
14 surable commodity under the Federal Crop Insur-  
15 ance Act (7 U.S.C. 1501 et seq.) for the crop incur-  
16 ring the losses;

17 (2) in the case of a noninsurable commodity,  
18 did not file the required paperwork, and pay the ad-  
19 ministrative fee by the applicable State filing dead-  
20 line, for the noninsurable commodity under section  
21 196 of the Federal Agriculture Improvement and  
22 Reform Act of 1996 (7 U.S.C. 7333) for the crop  
23 incurring the losses;

1           (3) had adjusted gross incomes, as defined by  
2           section 1001D of the Food Security Act of 1985, of  
3           greater than \$2,500,000 in 2004; or

4           (4) were not in compliance with highly erodible  
5           land conservation and wetland conservation provi-  
6           sions.

7           (d) CONTRACT WAIVER.—The Secretary of Agri-  
8           culture may waive subsection (c) with respect to the pro-  
9           ducers on a farm if the producers enter into a contract  
10          with the Secretary under which the producers agree—

11          (1) in the case of all insurable commodities pro-  
12          duced on the farm for each of the next two crop  
13          years—

14                  (A) to obtain additional coverage for those  
15                  commodities under the Federal Crop Insurance  
16                  Act (7 U.S.C. 1501 et seq.); and

17                  (B) in the event of violation of the con-  
18                  tract, to repay to the Secretary any payment re-  
19                  ceived under this section; and

20          (2) in the case of all noninsurable commodities  
21          produced on the farm for each of the next two crop  
22          or calendar years, as applicable—

23                  (A) to file the required paperwork, and pay  
24                  the administrative fee by the applicable State  
25                  filing deadline, for those commodities under sec-

1           tion 196 of the Federal Agriculture Improve-  
2           ment and Reform Act of 1996 (7 U.S.C. 7333);  
3           and

4                   (B) in the event of violation of the con-  
5           tract, to repay to the Secretary any payment re-  
6           ceived under this section.

7           (e) PAYMENT LIMITATIONS.—

8                   (1) LIMIT ON AMOUNT OF ASSISTANCE.—As-  
9           sistance provided under this section to a producer  
10          for losses to a crop, together with the amounts speci-  
11          fied in paragraph (2) applicable to the same crop,  
12          may not exceed 95 percent of what the value of the  
13          crop would have been in the absence of the losses,  
14          as estimated by the Secretary of Agriculture.

15                  (2) OTHER PAYMENTS.—In applying the limita-  
16          tion in paragraph (1), the Secretary shall include the  
17          following:

18                   (A) Any crop insurance payment made  
19          under the Federal Crop Insurance Act (7  
20          U.S.C. 1501 et seq.) or payment under section  
21          196 of the Federal Agricultural Improvement  
22          and Reform Act of 1996 (7 U.S.C. 7333) that  
23          the producer receives for losses to the same  
24          crop.

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

3 (f) DEFINITIONS.—In this section:

4 (1) ADDITIONAL COVERAGE.—The term “addi-  
5 tional coverage” has the meaning given the term in  
6 section 502(b)(1) of the Federal Crop Insurance Act  
7 (7 U.S.C. 1502(b)(1)).

8 (2) INSURABLE COMMODITY.—The term “insur-  
9 able commodity” means an agricultural commodity  
10 (excluding livestock) for which the producers on a  
11 farm are eligible to obtain a policy or plan of insur-  
12 ance under the Federal Crop Insurance Act (7  
13 U.S.C. 1501 et seq.).

14 (3) NONINSURABLE COMMODITY.—The term  
15 “noninsurable commodity” means an eligible crop  
16 for which the producers on a farm are eligible to ob-  
17 tain assistance under section 196 of the Federal Ag-  
18 riculture Improvement and Reform Act of 1996 (7  
19 U.S.C. 7333).

20 **SEC. 434. SUGARCANE DISASTER ASSISTANCE.**

21 (a) COMPENSATION FOR LOSSES.—The Secretary of  
22 Agriculture shall make available to a first processor of  
23 sugarcane that operates in a disaster parish or obtains  
24 sugarcane from a disaster parish and that is eligible to  
25 obtain a loan under section 156(a) of the Federal Agri-

1 culture Improvement and Reform Act of 1996 (7 U.S.C.  
2 7272(a)) assistance, in the form of payments or commod-  
3 ities in the inventory of the Commodity Credit Corporation  
4 derived from carrying out that section, to partially com-  
5 pensate producers and first processors for crop and other  
6 losses due to Hurricane Katrina.

7 (b) ADMINISTRATION.—Assistance under subsection  
8 (a) shall be—

9 (1) shared by an affected first processor with  
10 affected producers that provide commodities to the  
11 processor in a manner that reflects contracts entered  
12 into between the processor and the producers; and

13 (2) made available under such terms and condi-  
14 tions as the Secretary of Agriculture determines are  
15 necessary to carry out subsection (a).

16 (c) AMOUNT OF ASSISTANCE.—To carry out sub-  
17 section (a), the Secretary of Agriculture shall—

18 (1) use 336,697 tons of commodities in the in-  
19 ventory of the commodity Credit Corporation under  
20 section 156(a) of the Federal Agriculture Improve-  
21 ment and Reform Act of 1996 (7 U.S.C. 7272 (a));

22 (2) make payments in an aggregate amount  
23 equal to the market value of the quantity of com-  
24 modities specified in paragraph (1); or

1           (3) take any combination of actions described in  
2 paragraphs (1) and (2) using commodities or pay-  
3 ments with a total value equal to the market value  
4 of the quantity of commodities specified in para-  
5 graph (1).

6           (d) LIMITATION.—Out of any funds in the Treasury  
7 that are not otherwise appropriated, there is appropriated  
8 to carry out this section, \$125,000,000 for fiscal year  
9 2005, to remain available until expended.

10          (e) SUGARCANE RESEARCH FACILITY.—The Sec-  
11 retary of Agriculture shall use \$25,490,073 of the funds  
12 of the Commodity Credit Corporation to complete the Sug-  
13 arcane Research Laboratory of the Agricultural Research  
14 Service at Houma, Louisiana.

15          (f) BUILDINGS AND FACILITIES.—The Secretary of  
16 Agriculture shall use \$120,000,000 of funds of the Com-  
17 modity Credit Corporation for the clean up, renovation,  
18 repair, and replacement of laboratory facilities and equip-  
19 ment at the Southern Regional Research Center of the Ag-  
20 ricultural Research Service at New Orleans, Louisiana.

21 **SEC. 435. COMPENSATION FOR INFRASTRUCTURE LOSSES.**

22          (a) INFRASTRUCTURE LOSSES.—Out of any funds in  
23 the Treasury not otherwise appropriated, there is appro-  
24 priated to the Secretary of Agriculture, \$40,000,000 to  
25 compensate agricultural producers on a farm operating in



1 a disaster parish for costs incurred to repair or replace  
2 barns and other structures, equipment, and fencing that—

3 (1) was used to produce an agricultural com-  
4 modity; and

5 (2) was damaged or destroyed by Hurricane  
6 Katrina or related conditions or in responding to the  
7 aftermath of the hurricane.

8 (b) TIMING OF ASSISTANCE.—The Secretary of Agri-  
9 culture may provide assistance authorized under this sec-  
10 tion in the form of—

11 (1) reimbursement for eligible repair or replace-  
12 ment costs previously incurred by producers; or

13 (2) cash or in-kind assistance in advance of the  
14 producer undertaking the needed repair or replace-  
15 ment work.

16 (c) PAYMENT LIMITATIONS.—Assistance provided  
17 under this section to a producer for a repair or replace-  
18 ment project, together with amounts received for the same  
19 project from insurance proceeds, section or other sources,  
20 may not exceed 95 percent of the costs incurred to repair  
21 or replace the damaged or destroyed structures, equip-  
22 ment, or fencing, as estimated by the Secretary of Agri-  
23 culture.

1 **SEC. 436. ASSISTANCE TO DAIRY AND LIVESTOCK PRO-**  
2 **DUCERS.**

3 (a) **DAIRY CATTLE LOSSES.**—The Secretary of Agri-  
4 culture shall use \$250,000 of funds of the Commodity  
5 Credit Corporation to make payments for dairy cattle  
6 losses of dairy producers in disaster parishes due to Hurri-  
7 cane Katrina or related conditions. To the maximum ex-  
8 tent practicable, the Secretary shall make assistance avail-  
9 able under this subsection in the same manner as provided  
10 under section 806 of the Agriculture, Rural Development,  
11 Food and Drug Administration, and Related Agencies Ap-  
12 propriations Act, 2001 (Public Law 106–387; 114 Stat.  
13 1549A–51). A disaster parish so declared by the President  
14 as a result of Hurricane Katrina in accordance with sec-  
15 tion 401 of the Robert T. Stafford Disaster Relief and  
16 Emergency Assistance Act (42 U.S.C. 5170) that does not  
17 qualify for assistance under this section shall be eligible  
18 for assistance in the same manner as provided in section  
19 203 of the Agricultural Assistance Act of 2003 (16 U.S.C.  
20 3801 note).

21 (b) **INDEMNITY PROGRAM FOR OTHER LIVESTOCK**  
22 **LOSSES.**—The Secretary of Agriculture shall use  
23 \$11,000,000 of the funds of the Commodity Credit Cor-  
24 poration to carry out a livestock indemnity program to  
25 make payments to producers on farms in disaster parishes  
26 that have incurred livestock losses, not covered by sub-

1 section (a), due to Hurricane Katrina or related condi-  
2 tions. To the maximum extent practicable, the Secretary  
3 shall use the criteria established under the program re-  
4 ferred to under the heading “**LIVESTOCK INDEMNITY**  
5 **PROGRAM**” in chapter 1 of title I of the 1999 Emergency  
6 Supplemental Appropriations Act (Public Law 106–31;  
7 113 Stat. 59), except that the Secretary shall use a pay-  
8 ment rate of \$1,000 per head of cattle and shall not im-  
9 pose any limitation on the maximum amount of payments  
10 that a producer may receive under this subsection.

11 (c) **DAIRY PRODUCTION LOSSES.**—The Secretary of  
12 Agriculture shall use \$5,000,000 of funds of the Com-  
13 modity Credit Corporation to compensate dairy producers  
14 operating in disaster parishes for dairy production losses  
15 and dairy spoilage losses incurred in the aftermath of  
16 Hurricane Katrina.

17 (d) **LIVESTOCK COMPENSATION PROGRAM.**—The  
18 Secretary of Agriculture shall use \$5,000,000 of the funds  
19 of the Commodity Credit Corporation to carry out a live-  
20 stock compensation program to make payments for live-  
21 stock-related losses, not covered by subsection (b), in dis-  
22 aster parishes due to Hurricane Katrina or related condi-  
23 tions. To the maximum extent practicable, the Secretary  
24 shall use the criteria established under the program re-  
25 ferred to in section 203(a) of the Agricultural Assistance

1 Act of 2003 (title II of division N of the Consolidated Ap-  
2 propriations Resolution, 2003; Public Law 108-7; 117  
3 Stat. 539), except that the Secretary shall not impose any  
4 limitation on the maximum amount of payments that a  
5 producer may receive under this subsection.

6 (e) EMERGENCY ANIMAL HEALTH AND FORAGE  
7 COSTS.—The Secretary of Agriculture shall use  
8 \$4,375,000 of funds of the Commodity Credit Corporation  
9 to compensate dairy producers operating in disaster par-  
10 ishes for emergency dairy cattle health costs and increased  
11 forage costs due to a 30- to 90-day delay in planning in  
12 the aftermath of Hurricane Katrina.

13 **SEC. 437. EMERGENCY CITRUS DISASTER, NURSERY CROP**  
14 **AND CHRISTMAS TREE DISASTER, AND**  
15 **STRAWBERRY, HORTICULTURAL CROPS,**  
16 **FALL FRUITS AND VEGETABLES DISASTER**  
17 **PROGRAMS.**

18 (a) PROGRAMS REQUIRED.—The Secretary of Agri-  
19 culture shall transfer to the fund established by section  
20 32 of the Act of August 24, 1935 (7 U.S.C. 612c),  
21 \$34,000,000 of funds of the Commodity Credit Corpora-  
22 tion to carry out a Citrus Disaster Program, Nursery Crop  
23 and Christmas Tree Disaster Program, and Strawberry,  
24 Horticultural Crops, Fall Fruits and Vegetables Program

1 in disaster parishes due to Hurricane Katrina or related  
2 conditions.

3 (b) ADMINISTRATION.—

4 (1) IN GENERAL.—Except as otherwise pro-  
5 vided in this subsection, the disaster programs re-  
6 quired by subsection (a) shall be carried out by the  
7 Secretary of Agriculture in the same manner as the  
8 special disaster relief programs carried out for pro-  
9 ducers who suffered from crop damage and tree  
10 losses, and who had to perform related cleanup, in  
11 certain areas of Florida due to Hurricanes Charley,  
12 Frances and Jeanne during August and September  
13 2004. Because of the complete destruction of the  
14 business records of many producers, the Secretary  
15 shall use the best available information in deter-  
16 mining eligibility, determining losses, and calculating  
17 payment amounts under the programs.

18 (2) SPECIAL ACREAGE COMPENSATION AMOUNT  
19 FOR CITRUS LOSSES.—Because of the complete loss  
20 of the Louisiana citrus crop due to Hurricane  
21 Katrina, the Secretary shall use only Tier 1 of the  
22 Florida Citrus Disaster Program in administering  
23 the Citrus Disaster Program required by subsection  
24 (a), and the per acre compensation for crop loss and

1 associated tree damage in eligible groves of citrus  
2 shall be \$9,023 rather than \$1,500.

3 (3) SPECIAL LOSS THRESHOLD AND PAYMENT  
4 RATE FOR HORTICULTURAL CROPS.—In the case of  
5 the Strawberry, Horticultural Crops, Fall Fruits and  
6 Vegetables Program required by subsection (a), the  
7 Secretary shall cover losses greater than 35 percent,  
8 rather than 50 percent, and use a single payment  
9 rate of \$2,500 per acre for planted fruits and vege-  
10 tables.

11 (4) SPECIAL PAYMENT RATE FOR SEVERE  
12 NURSERY CROP LOSSES.—In the case of nursery  
13 crop losses of greater than 25 percent under the  
14 Nursery Crop and Christmas Tree Disaster Program  
15 required by subsection (a), the Secretary shall pay  
16 75 percent of the actual dollar amount loss, rather  
17 than 25 percent.

18 (5) PAYMENT LIMITATIONS.—The Secretary  
19 shall not impose any limitation on the maximum  
20 amount of payments that a producer may receive  
21 under a program required by subsection (a).

22 (c) RELATION TO OTHER ASSISTANCE.—Persons  
23 that receive payments from section 32 of the Act of Au-  
24 gust 24, 1935, pursuant to a disaster program required  
25 by subsection (a) are not eligible for payments for quali-

1 fying crop or quality losses under the general crop disaster  
2 assistance authority of section 443.

3 **SEC. 438. CONSERVATION PROGRAMS.**

4 (a) TEMPORARY SODBUSTER AND SWAMPBUSTER  
5 WAIVER.—Subtitles B and C of title XII of the Food Se-  
6 curity Act of 1985 (16 U.S.C. 3811 et seq.) shall not apply  
7 in a disaster parish during the two-year period beginning  
8 on the date of enactment of this Act.

9 (b) DEBRIS REMOVAL.—The Secretary of Agriculture  
10 may use the Natural Resources Conservation Service to  
11 conduct debris-removal activities on non-Federal forest  
12 land, with the permission of the owner of the land, in a  
13 disaster parish to reduce the risk of future catastrophic  
14 wildfires that would adversely affect watersheds and rural  
15 communities.

16 (c) ADDITIONAL EMERGENCY WATERSHED PROTEC-  
17 TION PROGRAM FUNDS.—The Secretary of Agriculture  
18 shall use an additional \$190,000,000 of the funds of the  
19 Commodity Credit Corporation for the Emergency Water-  
20 shed Protection Program to provide additional funds for  
21 the repair of damages to waterways and watersheds in dis-  
22 aster parishes resulting from Hurricane Katrina.

23 (d) ADDITIONAL EMERGENCY CONSERVATION PRO-  
24 GRAM FUNDS.—The Secretary of Agriculture shall use an  
25 additional \$40,000,000 of the funds of the Commodity

1 Credit Corporation to provide assistance under the Emer-  
2 gency Conservation Program under title IV of the Agricul-  
3 tural Credit Act of 1978 (16 U.S.C. 2201 et seq.) in par-  
4 ishes in the State of Louisiana declared to be disaster  
5 areas by the President due to Hurricane Katrina and re-  
6 lated conditions.

7 **SEC. 439. TREE ASSISTANCE PROGRAM.**

8 (a) INCLUSION OF TIMBER AND CHRISTMAS TREE  
9 CROPS.—In administering the tree assistance program es-  
10 tablished under sections 10201 through 10204 of the  
11 Farm Security and Rural Investment Act of 2002 (7  
12 U.S.C. 8201 et seq.), the Secretary of Agriculture shall  
13 provide \$25,000,000 to forest land owners who produce  
14 periodic crops of timber or Christmas trees for commercial  
15 purposes and who have suffered tree losses in disaster par-  
16 ishes due to Hurricane Katrina or related conditions

17 (b) COST-SHARING WAIVERS.—

18 (1) TREE ASSISTANCE PROGRAM.—The cost-  
19 sharing requirements of section 10203(1) of the  
20 Farm Security and Rural Investment Act of 2002 (7  
21 U.S.C. 8203(1)) shall not apply to the operation of  
22 the tree assistance program in disaster parishes in  
23 response to Hurricane Katrina or related conditions.

24 (2) COOPERATIVE FORESTRY ASSISTANCE  
25 ACT.—The cost-sharing requirements of the Cooper-



1       ative Forestry Assistance Act of 1978 (16 U.S.C.  
2       2101) shall not apply in disaster parishes during the  
3       two-year period beginning on the date of enactment  
4       of this Act.

5       (c) RELATION TO OTHER ASSISTANCE.—Persons  
6       that receive payments from section 32 of the Act of Au-  
7       gust 24, 1935 (7 U.S.C. 612c), pursuant to the Citrus  
8       Disaster Program required by section 447 are not eligible  
9       for payments under the tree assistance program.

10       (d) ADDITIONAL STATE AND PRIVATE FORESTRY  
11       PROGRAM FUNDS.—The Secretary of Agriculture shall  
12       use an additional \$28,300,000 of the funds of the Com-  
13       modity Credit Corporation to support State and Private  
14       Forestry programs of the Department of Agriculture to  
15       provide additional funds for the restoration and rehabilita-  
16       tion of forest lands destroyed or damaged by Hurricane  
17       Katrina in disaster parishes.

18       **SEC. 440. ADDITIONAL FUNDS FOR COOPERATIVE STATE**  
19                               **RESEARCH, EDUCATION, AND EXTENSION**  
20                               **SERVICE.**

21       The Secretary of Agriculture shall use an additional  
22       \$34,193,591 of the funds of the Commodity Credit Cor-  
23       poration to support the research and education activities  
24       of the Cooperative State Research, Education, and Exten-  
25       sion Service in disaster parishes. Of such amount,

1 \$9,060,000 shall be made available to the Louisiana Agri-  
2 cultural Experiment Station, \$10,133,591 shall be made  
3 available to the Louisiana Cooperative Extension Service,  
4 and \$15,000,000 shall be made available to the Louisiana  
5 State University Agricultural Center to carry out the Hur-  
6 ricane Forestry Damage Research Initiative.

7 **SEC. 441. DELTA REGIONAL AUTHORITY EXPANSION.**

8 (a) DEFINITION OF REGION.—For purposes of sub-  
9 title F of the Consolidated Farm and Rural Development  
10 Act (7 U.S.C. 2009aa et seq.), any area affected by a dec-  
11 laration of a major disaster in accordance with section 401  
12 of the Robert T. Stafford Disaster Relief and Emergency  
13 Assistance Act (42 U.S.C. 5170) in response to Hurricane  
14 Katrina shall be considered to be a region (as defined in  
15 section 382A of that subtitle).

16 (b) ECONOMIC AND COMMUNITY DEVELOPMENT  
17 GRANTS.—For purposes of section 382C of the Consoli-  
18 dated Farm and Rural Development Act (7 U.S.C.  
19 2009aa–2), the Delta Regional Authority may approve a  
20 grant to a State or a public or nonprofit entity in the State  
21 of Louisiana to provide economic redevelopment assistance  
22 in response to damage from Hurricane Katrina or a re-  
23 lated condition, or any other nationally significant inci-  
24 dent, as determined by the President.

1       (c) FUNDING LIMITATION.—Funding limitations  
2 under section 382D(b) of the Consolidated Farm and  
3 Rural Development Act (7 U.S.C. 2009aa–3(b)) shall not  
4 apply to any reconstruction effort relating to a major dis-  
5 aster declared in accordance with section 401 of the Rob-  
6 ert T. Stafford Disaster Relief and Emergency Assistance  
7 Act (42 U.S.C. 5170) in response to Hurricane Katrina  
8 for the 3-year period beginning on the date on which the  
9 major disaster is declared.

10       (d) APPROPRIATION.—

11           (1) IN GENERAL.—Out of any funds of the  
12 Treasury not otherwise appropriated, there is appro-  
13 priated to the Secretary of Agriculture,  
14 \$250,000,000 for fiscal year 2005 to provide eco-  
15 nomic and community development grants in accord-  
16 ance with section 382C of the Consolidated Farm  
17 and Rural Development Act (7 U.S.C. 2009aa–2)  
18 for projects in communities affected by Hurricane  
19 Katrina or a related condition.

20           (2) AVAILABILITY.—Amounts made available  
21 under paragraph (1) shall remain available until ex-  
22 pended.

1 **SEC. 442. WATER AND WASTE DISPOSAL LOAN AND GRANT**  
2 **PROGRAMS.**

3 In the case of water or waste disposal grants or direct  
4 or guaranteed loans under paragraph (1), (2), or (24) of  
5 section 306(a) of the Consolidated Farm and Rural Devel-  
6 opment Act (7 U.S.C. 1926(a)) made in an area des-  
7 ignated a major disaster area by the President under the  
8 Robert T. Stafford Disaster Relief and Emergency Assist-  
9 ance Act (42 U.S.C. 5121 et seq.), section 343(a)(13)(B)  
10 of that Act and section 149(b) of the Internal Code of  
11 1986 shall not apply.

12 **SEC. 443. COMMUNITY FACILITIES LOAN AND GRANT PRO-**  
13 **GRAMS.**

14 (a) IN GENERAL.—In the case of community facility  
15 direct and guaranteed loans under section 306(a)(1) of the  
16 Consolidated Farm and Rural Development Act (7 U.S.C.  
17 1926(a)(1)) and community facility grants under para-  
18 graph (19), (20), or (21) of section 306(a) of that Act  
19 made in an area designated a major disaster area by the  
20 President under the Robert T. Stafford Disaster Relief  
21 and Emergency Assistance Act (42 U.S.C. 5121 et seq.),  
22 sections 306(a)(21)(A)(iv) and 343(a)(13)(C) of that Act  
23 and section 149(b) of the Internal Code of 1986 shall not  
24 apply.

25 (b) RESTRUCTURING.—A borrower receiving a guar-  
26 anteed loan or grant described in subsection (a) as of the

1 date of enactment of this Act may restructure the loan  
2 at new rates and terms regardless of the status of the  
3 loan.

4 (c) REDUCTION OF GUARANTEE FEE.—Notwith-  
5 standing any provision of the Consolidated Farm and  
6 Rural Development Act (7 U.S.C. 1921 et seq.) (including  
7 associated regulations), the Secretary of Agriculture may  
8 waive all or part of any fee associated with a guaranteed  
9 loan described in subsection (a).

10 **SEC. 444. RURAL COMMUNITY ADVANCEMENT FUNDS.**

11 (a) IN GENERAL.—Subject to subsection (b), in addi-  
12 tion to any other amounts made available by law, the Sec-  
13 retary of Agriculture shall use—

14 (1) \$120,000,000 to make water and waste dis-  
15 posal direct loans under section 306(a)(1) of the  
16 Consolidated Farm and Rural Development Act (7  
17 U.S.C. 1926(a)(1));

18 (2) \$60,000,000 to make water and waste dis-  
19 posal grants under section 306(a)(2) of that Act (7  
20 U.S.C. 1926(a)(2));

21 (3) \$10,000,000 to make water and waste dis-  
22 posal guaranteed loans under section 306(a)(24) of  
23 that Act (7 U.S.C. 1926(a)(24));

1           (4) \$20,000,000 to make emergency community  
2 water assistance grants under section 306A of that  
3 Act (7 U.S.C. 1926a);

4           (5) \$120,000,000 to make community facilities  
5 direct loans under section 306(a)(1) of that Act (7  
6 U.S.C. 1926(a)(1));

7           (6) \$60,000,000 to make community facilities  
8 grants under paragraph (19), (20), or (21) of sec-  
9 tion 306(a) of that Act (7 U.S.C. 1926(a)); and

10           (7) \$20,000,000 to make community facilities  
11 guaranteed loans under section 306(a)(1) of that  
12 Act (7 U.S.C. 1926(a)).

13           (b) REQUIREMENT.—Loans and grants funded under  
14 this section shall be available for projects in communities  
15 in the State of Louisiana in areas that have been des-  
16 igned as major disaster areas by the President under  
17 the Robert T. Stafford Disaster Relief and Emergency As-  
18 sistance Act (42 U.S.C. 5121 et seq.).

19           (c) EMERGENCY DESIGNATION.—The amounts made  
20 available by the transfer of funds in or pursuant to this  
21 section are designated as an emergency requirement pur-  
22 suant to section 402 of H. Con. Res. 95 (109th Congress).

23 **SEC. 445. REGULATIONS.**

24           (a) IN GENERAL.—The Secretary of Agriculture may  
25 promulgate such regulations as are necessary to imple-

1 ment this subtitle and the amendments made by this sub-  
2 title.

3 (b) PROCEDURE.—The promulgation of the regula-  
4 tions and administration of this subtitle and the amend-  
5 ments made by this subtitle shall be made without regard  
6 to—

7 (1) the notice and comment provisions of sec-  
8 tion 553 of title 5, United States Code;

9 (2) the Statement of Policy of the Secretary of  
10 Agriculture effective July 24, 1971 (36 Fed. Reg.  
11 13804), relating to notices of proposed rulemaking  
12 and public participation in rulemaking; and

13 (3) chapter 35 of title 44, United States Code  
14 (commonly known as the “Paperwork Reduction  
15 Act”).

16 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-  
17 MAKING.—In carrying out this section, the Secretary of  
18 Agriculture shall use the authority provided under section  
19 808 of title 5, United States Code.

## 20 **Subtitle D—Privately Owned** 21 **Utility Restoration**

### 22 **SEC. 461. SHORT TITLE.**

23 This subtitle may be cited as the “Privately Owned  
24 Utility System Restoration Act of 2005”.

1 **SEC. 462. DEFINITIONS.**

2 In this subtitle:

3 (1) **DIRECT LOSS.**—The term “direct loss”  
4 means an amount equal to the sum of—

5 (A) the total undepreciated costs of any  
6 plant and property of a privately owned utility  
7 that is no longer used or useful as a result of  
8 Hurricane Katrina; and

9 (B) the total restoration costs of a pri-  
10 vately owned utility.

11 (2) **ELECTRIC UTILITY COMPANY.**—The term  
12 “electric utility company” has the meaning given the  
13 term in section 1262 of the Public Utility Holding  
14 Company Act of 2005 (Public Law 109–58).

15 (3) **GAS UTILITY COMPANY.**—The term “gas  
16 utility company” has the meaning given the term in  
17 section 1262 of the Public Utility Holding Company  
18 Act of 2005 (Public Law 109–58).

19 (4) **INCREMENTAL LOSS.**—The term “incree-  
20 mental loss” means the amount, calculated on a  
21 monthly basis, that is equal to the difference be-  
22 tween—

23 (A) an amount equal to the difference be-  
24 tween—

25 (i) the most recent total revenue re-  
26 quirement of the privately owned utility, as



1 established by the regulatory authority  
2 with jurisdiction over the retail rates of the  
3 privately owned utility; and

4 (ii) the sum of—

5 (I) direct fuel and purchased en-  
6 ergy costs; and

7 (II) the costs associated with the  
8 recovery of the undepreciated cost of  
9 all plants of the privately owned util-  
10 ity that are no longer used or useful  
11 as a result of Hurricane Katrina; and

12 (B) the total amount of revenues recovered  
13 from customers of the privately owned utility  
14 during the applicable period, excluding the por-  
15 tion of the customer revenues that is attrib-  
16 utable to the recovery of direct fuel and pur-  
17 chased energy costs.

18 (5) PRIVATELY OWNED UTILITY.—The term  
19 “privately owned utility” means an electric utility  
20 company or a gas utility company.

21 (6) RESTORATION COST.—The term “restora-  
22 tion cost” means the amount equal to the difference  
23 between—

24 (A) any costs incurred by a privately  
25 owned utility as a result of Hurricane Katrina

1 that are eligible to be recorded by a privately  
2 owned utility under the sections of the Federal  
3 Energy Regulatory Commission Uniform Sys-  
4 tem of Accounts in which storm damage and  
5 restoration costs are recorded, including the ac-  
6 counts numbered 107, 108, 118, 119, 174.1,  
7 and 228.1, as determined by the rules and reg-  
8 ulations of the regulatory authority having ju-  
9 risdiction over the retail rates of the privately  
10 owned utility; and

11 (B) any insurance proceeds received by the  
12 privately owned utility that relate to direct  
13 losses and restoration costs of the privately  
14 owned utility.

15 (7) SECRETARY.—The term “Secretary” means  
16 the Secretary of Energy.

17 **SEC. 463. PRIVATELY OWNED UTILITY DISASTER RELIEF.**

18 (a) IN GENERAL.—Notwithstanding any other provi-  
19 sion of law and subject to section 454, the President shall,  
20 in accordance with subsection (b), compensate privately  
21 owned utilities in the State of Louisiana (including the  
22 city of New Orleans) for losses incurred as a result of  
23 Hurricane Katrina.

24 (b) COMPENSATION FOR DIRECT AND INCREMENTAL  
25 LOSSES.—

1           (1) IN GENERAL.—The President shall com-  
2           pensate privately owned utilities for—

3                   (A) direct losses to the transmission, dis-  
4                   tribution, and generation facilities and infra-  
5                   structure of electric utility companies and direct  
6                   losses to the facilities and infrastructure of gas  
7                   utility companies incurred, beginning on August  
8                   29, 2005, by privately owned utilities as a re-  
9                   sult of Hurricane Katrina; and

10                   (B) the incremental losses incurred during  
11                   the period beginning August 29, 2005, and end-  
12                   ing December 31, 2007, by the privately owned  
13                   utilities as a result of Hurricane Katrina.

14           (2) LIMITATIONS.—

15                   (A) MAXIMUM AMOUNT.—The total amount  
16                   of compensation that may be provided to any 1  
17                   privately owned utility under paragraph (1)  
18                   shall be \$2,500,000,000.

19                   (B) LOAD REQUIREMENTS.—

20                           (i) IN GENERAL.—A privately owned  
21                           utility shall not be entitled to monthly pay-  
22                           ments under paragraph (1)(A) unless the  
23                           load of the privately owned utility for the  
24                           applicable month is not more than 80 per-  
25                           cent of the load of the privately owned util-

1           ity in the corresponding month during the  
2           period beginning August 2004 and ending  
3           July 2005.

4                   (ii) LOAD MEASUREMENT.—For pur-  
5           poses of clause (i)—

6                           (I) in the case of an electric util-  
7                           ity company, the load shall be meas-  
8                           ured in kilowatt hours; and

9                           (II) in the case of a gas utility  
10                          company, the load shall be measured  
11                          in thousands of cubic feet of gas.

12           (c) EMERGENCY DESIGNATION.—Any amount appro-  
13           priated pursuant to this section is designated as an emer-  
14           gency requirement pursuant to section 402 of H. Con.  
15           Res. 95 (109th Congress).

16   **SEC. 464. REQUIREMENTS FOR COMPENSATION; REGULA-**  
17                   **TIONS.**

18           (a) DOCUMENTATION.—

19                   (1) IN GENERAL.—Subject to subsection (b),  
20           the amount of compensation payable to a privately  
21           owned utility under section 453(b) may not exceed  
22           the amount of losses described in subparagraphs (A)  
23           and (B) of paragraph (1) of that subsection that the  
24           President determines, based on sworn financial  
25           statements or other appropriate data provided by the

1 privately owned utility, were incurred by the pri-  
2 vately owned utility.

3 (2) AUDIT.—The Secretary and the Comptroller  
4 General of the United States may—

5 (A) audit any statements of a privately  
6 owned utility that receives compensation under  
7 this subtitle; and

8 (B) for purposes of an audit under sub-  
9 paragraph (A), request any information that  
10 the Secretary and the Comptroller General de-  
11 termine to be necessary.

12 (b) PAYMENTS.—

13 (1) IN GENERAL.—Subject to paragraph (2),  
14 the President may provide compensation to privately  
15 owned utilities under section 453(b) in 1 or more  
16 payments up to the maximum amount specified in  
17 453(b)(2)(A).

18 (2) SCHEDULE.—Payments under paragraph  
19 (1) shall only be made during the period beginning  
20 on the date that is not later than 60 days after the  
21 date of enactment of this Act and ending March on  
22 31, 2008.

23 (c) REGULATIONS.—Not later than 15 days after the  
24 date of enactment of this Act, the Secretary, in consulta-  
25 tion with the Attorney General, shall promulgate regula-

1 tions to carry out this subtitle, including regulations with  
2 respect to—

3 (1) the forms to be used by privately owned  
4 utilities for submitting claims under this subtitle, in-  
5 cluding the information to be included in the forms;

6 (2) the procedures for considering claims sub-  
7 mitted under this subtitle; and

8 (3) any other matters determined by the Sec-  
9 retary to be appropriate.

10 **SEC. 465. NATIONAL ENERGY INFRASTRUCTURE ZONES.**

11 (a) PRIORITY AREAS.—If there is an incident or event  
12 that, as determined by the Secretary of Energy (referred  
13 to in this section as the “Secretary”), compromises the  
14 reliable and affordable supply of electricity to retail, indus-  
15 trial, and business customers, the Secretary shall give pri-  
16 ority to protecting and, as appropriate, restoring the en-  
17 ergy infrastructure system compromised.

18 (b) DESIGNATION OF NATIONAL ENERGY INFRA-  
19 STRUCTURE ZONES.—

20 (1) IN GENERAL.—If there is an incident (in-  
21 cluding a natural disaster) that, as determined by  
22 the Secretary, threatens the reliability of the energy  
23 infrastructure system, including the production, re-  
24 fining, transmission, and distribution of oil, gas, and  
25 electricity, the Secretary shall designate the threat-

1        ened energy infrastructure system as a National En-  
2        ergy Infrastructure Zone.

3            (2) REPORT.—Not later than 90 days after the  
4        date of the threatening incident, the Secretary shall  
5        submit to Congress a report with respect to any Na-  
6        tional Energy Infrastructure Zone designated under  
7        paragraph (1) that describes—

8            (A) any actions that are necessary to pro-  
9        tect, improve, revitalize, rebuild, or otherwise  
10       strengthen the affected energy infrastructure  
11       systems;

12          (B) any actions, methods, rules, regula-  
13       tions, and processes that are necessary to im-  
14       prove, strengthen, and rebuild the affected en-  
15       ergy infrastructure systems in the National En-  
16       ergy Infrastructure Zone; and

17          (C) any actions that are necessary to en-  
18       sure that any National Energy Infrastructure  
19       Zones are improved, strengthened, or rebuilt in  
20       a manner that ensures—

21            (i) to the maximum extent practicable,  
22        energy infrastructure system reliability;

23            (ii) lowest possible costs for energy in-  
24        frastructure system consumers;

1 (iii) that national security is improved  
2 and strengthened; and

3 (iv) that the energy infrastructure  
4 system is able to be expanded in the fu-  
5 ture.

6 **SEC. 466. PROVISIONS RELATING TO DEPOSITORY INSTITU-**  
7 **TIONS AND CREDIT UNIONS.**

8 (a) GOVERNMENT CHECK CASHING.—

9 (1) IN GENERAL.—Notwithstanding any provi-  
10 sion of subchapter II of chapter 33 of title 31,  
11 United States Code, or any other provision of law,  
12 the Secretary of the Treasury shall indemnify any  
13 insured depository institution or insured credit union  
14 for any loss suffered by the institution through cash-  
15 ing a check or other draft on public money in the  
16 Treasury, due to the fact that the check is fraudu-  
17 lent or the identification of the bearer presenting  
18 such check or draft to the depository institution or  
19 credit union is fraudulent, if the depository institu-  
20 tion or credit union—

21 (A) has made prudent efforts to identify  
22 the bearer or presenter; and

23 (B) has reason to believe the check or  
24 draft is presented for payment by an individual  
25 who resides in, or who prior to an evacuation



1 of such individual due to Hurricane Katrina re-  
2 sided or was present in, an area described in  
3 subsection (b)(2).

4 (2) COORDINATION WITH OTHER LAW.—Sec-  
5 tions 3331 and 3343 of title 31, United States Code,  
6 shall continue to apply with respect to any check  
7 and any appropriate payee of such check, notwith-  
8 standing the fact that the Secretary of the Treasury  
9 has already made a payment with respect to such  
10 check to an insured depository institution or an in-  
11 sured credit union under paragraph (1).

12 (b) LOAN PAYMENT DEFERRALS AND “FRESH  
13 START” PROGRAMS.—

14 (1) IN GENERAL.—No provision of Federal or  
15 State law, and no regulation, order, guideline, or  
16 other provision prescribed under any authority con-  
17 ferred by any provision of Federal or State law, shall  
18 be construed as prohibiting any lender with respect  
19 to any loan described in paragraph (2) from refi-  
20 nancing such loan, including the deferred principal  
21 and interest, on terms at least as favorable to the  
22 borrower as the terms of the original loan.

23 (2) TYPES OF LOANS.—A loan described in this  
24 paragraph is any consumer loan, commercial loan, or  
25 mortgage loan—

1           (A) that is made to a borrower who resides  
2           in or has a place of business within, or is se-  
3           cured by real or personal property located with-  
4           in, an area in which the President, pursuant to  
5           section 401 of the Robert T. Stafford Disaster  
6           Relief and Emergency Assistance Act, has de-  
7           termined, on or after August 26, 2005, that a  
8           major disaster exists, or within an area deter-  
9           mined to be eligible for disaster relief under  
10          other Federal law by reason of damage related  
11          to Hurricane Katrina; and

12          (B) on which any payment of principal or  
13          interest has been deferred due to the disaster  
14          caused by Hurricane Katrina.

15          (c) WAIVER OF FEDERAL RESERVE BOARD FEES  
16          FOR CERTAIN SERVICES.—Notwithstanding section 11A  
17          of the Federal Reserve Act (12 U.S.C. 248a) or any other  
18          provision of Federal law, the Board of Governors of the  
19          Federal Reserve System shall waive any fee or other  
20          charge imposed on any insured depository institution or  
21          insured credit union with respect to any currency and coin  
22          services or wire transfer services during the effective pe-  
23          riod of this section.

1 (d) EFFECTIVE PERIOD.—The provisions of this sec-  
2 tion shall not apply after the end of the 2-year period be-  
3 ginning on the date of enactment of this Act.

4 **TITLE V—REBUILDING OF**  
5 **INFRASTRUCTURE**  
6 **Subtitle A—Actions by Federal**  
7 **Agencies**

8 **SEC. 501. PELICAN COMMISSION.**

9 (a) ESTABLISHMENT.—

10 (1) ESTABLISHMENT.—There is established a  
11 commission to be known as the “Protecting Essen-  
12 tial Louisiana Infrastructure, Citizens, and Nature  
13 Commission” (referred to in this Act as the “Pelican  
14 Commission”).

15 (b) PURPOSES.—The purpose of the Pelican Commis-  
16 sion is to provide for the design and implementation of  
17 a program that—

18 (1) protects citizens, natural resources, essen-  
19 tial infrastructure, and property from hurricanes,  
20 flooding, and erosion;

21 (2) integrates and comprehensively addresses  
22 hurricane protection, flood control, coastal restora-  
23 tion, storm surge protection, and navigation  
24 projects; and

1           (3) functions efficiently, timely, and reliably to  
2 maximize results, eliminate waste, reduce cost, and  
3 engender confidence.

4           (c) MEMBERSHIP.—

5           (1) COMPOSITION.—The Pelican Commission  
6 shall be composed of 9 members, of whom—

7           (A) 1 member shall be appointed by the  
8 President and shall serve as Chairperson;

9           (B) 1 member shall be the Chief of Engi-  
10 neers;

11           (C) 1 member shall be the Under Sec-  
12 retary for Oceans and Atmosphere;

13           (D) 1 member shall be a member of the  
14 Mississippi River Commission who is—

15           (i) a civil life appointee; and

16           (ii) unless none of the 3 civil life ap-  
17 pointees on the Mississippi River Commis-  
18 sion are residents of the State of Lou-  
19 isiana, a resident of the State of Lou-  
20 isiana;

21           (E) 1 member shall be the Governor of the  
22 State of Louisiana;

23           (F) 4 members shall be residents of that  
24 State and appointed by the President, of  
25 whom—

1 (i) 1 member shall have expertise in  
2 commerce;

3 (ii) 1 member shall have expertise in  
4 the environment;

5 (iii) 1 member shall have expertise in  
6 flood control; and

7 (iv) 1 member shall have expertise in  
8 maritime matters.

9 (2) DATE OF APPOINTMENTS.—The appoint-  
10 ment of a member of the Pelican Commission shall  
11 be made not later than December 1, 2005.

12 (3) TERM; VACANCIES.—

13 (A) TERM.—

14 (i) A member who serves on the Peli-  
15 can Commission due to holding the Office  
16 of Chief of Engineers, Under Secretary of  
17 Oceans and Atmosphere, Mississippi River  
18 Commission or Governor of the State of  
19 Louisiana shall serve on the commission as  
20 long as he holds office.

21 (ii) PRESIDENTIAL APPOINTEES.—A  
22 member appointed by the President to the  
23 Pelican Commission shall serve for a term  
24 of 4 years and may be reappointed.

1 (B) VACANCIES.—A vacancy on the Peli-  
2 can Commission—

3 (i) shall not affect the powers of the  
4 Pelican Commission; and

5 (ii) shall be filled not later than 30  
6 days after the date on which the vacancy  
7 occurred in the same manner as the origi-  
8 nal appointment was made.

9 (4) INITIAL MEETING.—Not later than 30 days  
10 after the date on which all members of the Pelican  
11 Commission have been appointed, the Pelican Com-  
12 mission shall hold the initial meeting of the Pelican  
13 Commission.

14 (5) MEETINGS.—The Pelican Commission—

15 (A) shall meet at the call of the Chair-  
16 person not less frequently than every 180 days;  
17 and

18 (B) may conduct business by telephone or  
19 other electronic means.

20 (6) NOTIFICATION OF MEETINGS.—Not later  
21 than 14 days before calling a meeting, the Chair-  
22 person shall—

23 (A) notify each member of the Pelican  
24 Commission of the time, date, and location of  
25 that meeting; and

1           (B) provide each member of the Pelican  
2           Commission with a written agenda for the  
3           meeting, including any proposals for discussion  
4           and consideration, and any appropriate back-  
5           ground materials.

6           (7) QUORUM.—A majority of the members of  
7           the Pelican Commission shall constitute a quorum,  
8           but a lesser number of members may hold hearings.

9           (d) DUTIES.—

10           (1) WORK PLAN.—The Pelican Commission  
11           shall enter into a contract with the Corps of Engi-  
12           neers to develop, not later than 180 days after the  
13           date of enactment of this Act, and revise annually  
14           thereafter, a work plan for the design and implemen-  
15           tation of an integrated and comprehensive program  
16           to simultaneously—

17                   (A) protect the Louisiana coastal area  
18                   from future flooding and devastation caused by  
19                   hurricanes;

20                   (B) restore and reconstruct critical wet-  
21                   lands; and

22                   (C) provide for navigational interests.

23           (2) PRIORITY PROJECTS.—The work plan  
24           shall—

1 (A) give priority consideration to projects  
2 located in an area in which a major disaster  
3 was declared by the President on August 29,  
4 2005, in accordance with section 401 of the  
5 Robert T. Stafford Disaster Relief and Emer-  
6 gency Assistance Act (42 U.S.C. 5170); and

7 (B) include, at a minimum, consideration  
8 of—

9 (i) certain hurricane protection  
10 projects appropriate enhancements, includ-  
11 ing—

12 (I) the project for Lake Pont-  
13 chartrain and Vicinity, Louisiana, as  
14 generally described in the post Au-  
15 thorization Change Notification Re-  
16 port, Lake Pontchartrain, Louisiana,  
17 and Vicinity, Hurricane Protection  
18 Project, dated August 8, 1984;

19 (II) the Barrier Plan, Louisiana,  
20 project, as generally described in the  
21 Report of the Chief of Engineers for  
22 Lake Pontchartrain and Vicinity,  
23 Louisiana, dated March 4, 1964, as  
24 published in House Document 231,  
25 89th Congress, First Session;



1 (III) the project for Morganza to  
2 the Gulf, Louisiana, as generally de-  
3 scribed in the Report of the Chief of  
4 Engineers on Morganza, Louisiana, to  
5 the Gulf of Mexico, Mississippi River  
6 and Tributaries, dated August 23,  
7 2002, and in the Report of the Chief  
8 of Engineers on Morganza, Louisiana,  
9 to the Gulf of Mexico, Mississippi  
10 River and Tributaries—Supplemental  
11 Report, dated July 22, 2003;

12 (IV) the project for West Bank  
13 and Vicinity, Louisiana, authorized by  
14 section 401(b) of Water Resources  
15 Development Act of 1986 (100 Stat.  
16 4111), sections 101(a)(17) and  
17 101(b)(11) of the Water Resources  
18 Development Act of 1996 (110 Stat.  
19 3665), and section 328 of the Water  
20 Resources Development Act of 1999  
21 (113 Stat. 304);

22 (V) the project for New Orleans  
23 to Venice, Louisiana, authorized by  
24 section 203 of the Flood Control Act  
25 of 1962 (76 Stat. 1180), and ex-

1                   panded to include the LeReussittee to  
2                   St. Jude, Louisiana, levees;

3                   (VI) the project for Larose to  
4                   Golden Meadow, Louisiana, author-  
5                   ized by section 204 of the Flood Con-  
6                   trol Act of 1965 (79 Stat. 1077), as  
7                   modified by section 325 of the Water  
8                   Resources Development Act of 1999  
9                   (113 Stat. 304);

10                  (VII) the project for Grand Isle,  
11                  Louisiana, authorized by section 204  
12                  of the Flood Control Act of 1965 (79  
13                  Stat. 1077) and section 301(b)(6) of  
14                  the Water Resources Development Act  
15                  of 1996 (110 Stat. 3710); and

16                  (VIII) the project for Lake Pont-  
17                  chartrain North Shore Protection, au-  
18                  thorized by section 601 of Water Re-  
19                  sources Development Act of 1986  
20                  (100 Stat. 4137);

21                  (ii) the Louisiana Coastal Area eco-  
22                  system restoration and storm surge protec-  
23                  tion project, as generally described in the  
24                  draft Louisiana Coastwide Ecosystem Res-

1                   toration Report, dated October 2003, in-  
2                   cluding any appropriate enhancements;

3                   (iii) certain flood control projects, in-  
4                   cluding any appropriate enhancements, in-  
5                   cluding—

6                   (I) the project for Southeast  
7                   Louisiana, Louisiana, authorized by  
8                   section 108 of the Energy and Water  
9                   Development Appropriations Act of  
10                  1996, and section 533 of the Water  
11                  Resources Development Act of 1996  
12                  (110 Stat. 3775) as amended;

13                  (II) the project for St. Bernard  
14                  Parish, Louisiana, as generally de-  
15                  scribed in the New Orleans District  
16                  Report for St. Bernard Parish Flood  
17                  Control, Louisiana, dated October  
18                  2000, including construction of flood-  
19                  gate protection and additional levees  
20                  for storm surge protection at Mis-  
21                  sissippi River-Gulf Outlet;

22                  (III) the project for St. Charles  
23                  Parish, Louisiana, as generally de-  
24                  scribed in the New Orleans District  
25                  Report for St. Charles Parish Flood

1 Control, Louisiana, dated November  
2 2002;

3 (IV) the project for St. John the  
4 Baptist Parish, Louisiana, as gen-  
5 erally described in the New Orleans  
6 District Report for St. John the Bap-  
7 tist, Louisiana, dated February 2003;

8 (V) the project for Plaquemines  
9 Parish, Louisiana, as generally de-  
10 scribed in the New Orleans District  
11 Report for Plaquemines Parish, Lou-  
12 isiana, dated October 2001; and

13 (VI) the project for Lake Pont-  
14 chartrain West Shore Protection, Lou-  
15 isiana, as generally described in the  
16 New Orleans District Report dated  
17 July 1997; and

18 (iv) certain navigation projects, in-  
19 cluding any appropriate enhancements, in-  
20 cluding—

21 (I) the project for Atchafalaya  
22 River and Bayous Chene, Boeuf and  
23 Black, Louisiana, as generally de-  
24 scribed in a House Resolution dated  
25 September 27, 2000;

1 (II) the project for Calcasieu  
2 River and Pass Ship Channel En-  
3 largement, Louisiana, as generally de-  
4 scribed in the Act of December 22,  
5 1944 (commonly known as the “Flood  
6 Control Act of 1944”) (58 Stat. 887,  
7 chapter 665), the Act of March 2,  
8 1945 (59 Stat. 18, chapter 19), and  
9 House Resolutions dated June 23,  
10 1964, October 5, 1966, October 3,  
11 1968, and December 2, 1970;

12 (III) the project for Inner Har-  
13 bor Navigation Canal Lock, Lou-  
14 isiana, as generally described in the  
15 River and Harbor Act of 1956 (Public  
16 Law 84–455), Water Resources De-  
17 velopment Act of 1986 (Public Law  
18 99–662), and Water Resources Devel-  
19 opment Act of 1996 (Public Law  
20 104–303);

21 (IV) the project for Lafourche  
22 (Port Fourchon); and

23 (V) the project for Port of Iberia,  
24 Louisiana, as generally described in

1 section 431 of Water Resources De-  
2 velopment Act 2000 (114 Stat 2639).

3 (3) REVIEW OF WORK PLAN.—

4 (A) IN GENERAL.—Upon receiving a work  
5 plan under this section, the Pelican Commission  
6 shall publish the work plan in the Federal Reg-  
7 ister, with notice and an opportunity for public  
8 comment.

9 (B) DURATION OF REVIEW AND COMMENT  
10 PERIOD.—The period for public review and  
11 comment shall be the 30-day period beginning  
12 on the date of publication of a notice described  
13 in subparagraph (A).

14 (4) DISPOSITION OF WORK PLAN.—Not later  
15 than 30 days after the end of the period specified in  
16 paragraph (3)(B), the Pelican Commission shall—

17 (A) approve, disapprove, or partially ap-  
18 prove the work plan that is the subject of the  
19 review; and

20 (B) issue a notice of the approval, dis-  
21 approval, or partial approval that—

22 (i) specifies the reasons for dis-  
23 approving any portion of the work plan;

24 (ii) if applicable, includes rec-  
25 ommendations for revisions to the work

1                   plan to make the plan subject to approval;  
2                   and

3                   (iii) directs and provides funding to  
4                   the Corps of Engineers to implement the  
5                   plan, to the maximum extent practicable.

6                   (5) DISAPPROVAL OR PARTIAL APPROVAL OF  
7                   WORK PLAN.—If the Pelican Commission dis-  
8                   approves or partially approves a work plan, the  
9                   Commission shall submit the work plan to the Corps  
10                  of Engineers for review and revision.

11                  (6) IMPLEMENTATION.—Notwithstanding any  
12                  other provision of law, the Pelican Commission may  
13                  implement the work plan.

14                  (7) OTHER REVIEW, ANALYSIS, AND REC-  
15                  COMMENDATION.—The Pelican Commission may re-  
16                  view, analyze, and make recommendations on such  
17                  other related matters as the Pelican Commission de-  
18                  termines to be appropriate.

19                  (8) TREATMENT OF WORK PLAN PROJECTS.—  
20                  Notwithstanding any other provision of law, a  
21                  project implemented by the Pelican Commission in  
22                  accordance with the work plan shall be deemed to  
23                  comply with all applicable requirements of the Na-  
24                  tional Environmental Policy Act of 1969 (42 U.S.C.

1 4321 et seq.) and the Federal Water Pollution Con-  
2 trol Act (33 U.S.C. 1251 et seq.).

3 (9) FEDERAL SHARE.—Notwithstanding any  
4 other provision of law, the Federal share of the cost  
5 of any project carried out in accordance with the  
6 work plan shall be 100 percent.

7 (e) POWERS.—

8 (1) HEARINGS.—

9 (A) IN GENERAL.—The Pelican Commis-  
10 sion may hold such hearings, meet and act at  
11 such times and places, take such testimony, and  
12 receive such evidence as the Pelican Commis-  
13 sion considers advisable to carry out this Act.

14 (B) PUBLIC MEETINGS AND RELEASE OF  
15 REPORTS.—The Pelican Commission shall—

16 (i) hold public hearings and meetings  
17 to the extent appropriate; and

18 (ii) release to the public versions of  
19 any reports prepared by the Pelican Com-  
20 mission.

21 (C) PUBLIC HEARINGS.—Any public hear-  
22 ing of the Pelican Commission shall be con-  
23 ducted in a manner consistent with the protec-  
24 tion of information provided to or developed for



1 or by the Commission as required by any appli-  
2 cable statute, regulation, or Executive order.

3 (2) CONTRACTING.—The Pelican Commission  
4 may, to such extent and in such amounts as are  
5 available for the purpose, enter into contracts to en-  
6 able the Pelican Commission to carry out the duties  
7 of the Pelican Commission.

8 (3) INFORMATION FROM FEDERAL AGENCIES.—

9 (A) IN GENERAL.—The Pelican Commis-  
10 sion may secure directly from a Federal agency  
11 such information (including technical assist-  
12 ance) as the Pelican Commission considers nec-  
13 essary to carry out this Act, if the information  
14 may be disclosed under section 552 of title 5,  
15 United States Code.

16 (B) PROVISION OF INFORMATION.—On re-  
17 quest of the Chairperson of the Pelican Com-  
18 mission, the head of the agency shall provide  
19 the information (or technical assistance) to the  
20 Pelican Commission.

21 (4) POSTAL SERVICES.—The Pelican Commis-  
22 sion—

23 (A) may use the United States mails in the  
24 same manner and under the same conditions as  
25 other agencies of the Federal Government; and

1           (B) for the purposes of the frank, be con-  
2           sidered to be a commission of Congress as de-  
3           scribed in section 3215 of title 39, United  
4           States Code.

5           (5) ADMINISTRATIVE SUPPORT SERVICES.—  
6           Upon the request of the Pelican Commission, the  
7           Administrator of General Services shall provide to  
8           the Pelican Commission, on a reimbursable basis,  
9           such administrative support services as the Pelican  
10          Commission may request.

11          (6) PRINTING.—For purposes of costs relating  
12          to printing and binding, including the cost of per-  
13          sonnel detailed from the Government Printing Of-  
14          fice, the Commission shall be considered to be a  
15          committee of Congress.

16          (7) GIFTS.—The Pelican Commission may ac-  
17          cept, use, and dispose of gifts or donations of serv-  
18          ices or property.

19          (f) PELICAN COMMISSION PERSONNEL MATTERS.—

20               (1) COMPENSATION OF MEMBERS.—A member  
21               of the Pelican Commission shall receive no addi-  
22               tional pay, allowances, or benefits by reason of the  
23               service of the member on the Pelican Commission.

24               (2) TRAVEL EXPENSES.—A member of the Peli-  
25               can Commission shall be allowed travel expenses, in-

1 including per diem in lieu of subsistence, at rates au-  
2 thORIZED in accordance with sections 5702 and 5703  
3 of title 5, United States Code, while away from the  
4 home or regular place of business of the member in  
5 the performance of the duties of the Pelican Com-  
6 mission.

7 (3) STAFF.—

8 (A) EXECUTIVE DIRECTOR.—The Chair-  
9 person of the Pelican Commission may, without  
10 regard to the civil service laws (including regu-  
11 lations), appoint and terminate an executive di-  
12 rector to enable the Pelican Commission to  
13 carry out the duties of the Pelican Commission.

14 (B) ADDITIONAL STAFF.—With the ap-  
15 proval of the Pelican Commission, the executive  
16 director may appoint such additional personnel  
17 as the executive director considered to be appro-  
18 priate to assist the Pelican Commission in car-  
19 rying out the duties of the Pelican Commission.

20 (C) COMPENSATION.—

21 (i) IN GENERAL.—Except as provided  
22 in subparagraph (B), the Chairperson of  
23 the Pelican Commission may fix the com-  
24 pensation of the executive director and  
25 other personnel without regard to the pro-

1           visions of chapter 51 and subchapter III of  
2           chapter 53 of title 5, United States Code,  
3           relating to classification of positions and  
4           General Schedule pay rates.

5           (ii) MAXIMUM RATE OF PAY.—The  
6           rate of pay for the executive director and  
7           other personnel shall not exceed the rate  
8           payable for level V of the Executive Sched-  
9           ule under section 5316 of title 5, United  
10          States Code.

11          (4) DETAIL OF FEDERAL GOVERNMENT EM-  
12          PLOYEES.—

13           (A) IN GENERAL.—Upon a request by the  
14           Chairperson of the Commission, an employee of  
15           the Federal Government may be detailed to the  
16           Pelican Commission without reimbursement.

17           (B) CIVIL SERVICE STATUS.—The detail of  
18           the employee shall be without interruption or  
19           loss of civil service status or privilege.

20          (5) PROCUREMENT OF TEMPORARY AND INTER-  
21          MITTENT SERVICES.—The Chairperson of the Com-  
22          mission may procure temporary and intermittent  
23          services in accordance with section 3109(b) of title  
24          5, United States Code, at rates for individuals that  
25          do not exceed the daily equivalent of the annual rate

1 of basic pay prescribed for level V of the Executive  
2 Schedule under section 5316 of that title.

3 (6) LOCATION OF FACILITIES.—

4 (A) IN GENERAL.—The offices of the Peli-  
5 can Commission shall be co-located in Wash-  
6 ington, District of Columbia, and New Orleans,  
7 Louisiana.

8 (B) OFFICE SPACE.—The Administrator of  
9 General Services shall locate suitable office  
10 space and provide all necessary equipment and  
11 incidentals required for proper operation of the  
12 Pelican Commission in each of the locations  
13 specified in subparagraph (A).

14 (g) NONAPPLICABILITY OF FACA.—The Federal Ad-  
15 visory Committee Act (5 U.S.C. App.) shall not apply to  
16 the Pelican Commission.

17 (h) FUNDING.—

18 (1) IN GENERAL.—Notwithstanding any other  
19 provision of law, not later than 30 days after the  
20 date of enactment of this Act, out of any funds in  
21 the Treasury not otherwise appropriated, the Sec-  
22 retary of the Treasury shall transfer to the Chair-  
23 person of the Pelican Commission to carry out this  
24 section \$40,000,000,000, to remain available until  
25 expended.



1 out a project described in paragraph (1), may  
2 submit an application under subparagraph (A).

3 (C) DETERMINATION.—

4 (i) IN GENERAL.—The President shall  
5 approve or disapprove an application under  
6 subparagraph (A) by not later than 30  
7 days after the date on which the applica-  
8 tion is received.

9 (ii) FAILURE TO MAKE DETERMINA-  
10 TION.—If the President fails to approve or  
11 disapprove an application by the deadline  
12 under clause (i), the application shall be  
13 considered to be approved.

14 (3) EFFECT OF PERMIT.—A project that re-  
15 ceives a permit under this section shall be considered  
16 to be in compliance with any applicable Federal law  
17 (including regulations).

18 (4) NOTICE.—On receipt of a permit under this  
19 subsection, the head of the lead agency of a project  
20 shall provide a notice to the head of any Federal  
21 agency that administers a law or regulation applica-  
22 ble to the project.

23 (b) RESPONSIBILITY OF FEDERAL AGENCIES.—The  
24 head of each Federal agency shall establish, maintain, and  
25 periodically publish in the Federal Register, a record of

1 any notice received under subsection (a)(4), including a  
2 description of the basis on which the permit was issued.

3 **SEC. 503. FEDERAL CONTRACTING REQUIREMENT FOR RE-**  
4 **CONSTRUCTION.**

5 (a) CONTRACTS FOR PROPERTY OR SERVICES.—

6 (1) PREFERENCE FOR LOUISIANA CONTRAC-  
7 TORS.—Notwithstanding any other provision of law  
8 and subject to paragraph (2), in entering into a con-  
9 tract to procure property or services pursuant to the  
10 August 29, 2005, Presidential declaration of a major  
11 disaster for the State of Louisiana (FEMA–1603–  
12 DR) or in connection with assistance granted to  
13 Louisiana pursuant to the Robert T. Stafford Dis-  
14 aster Relief and Emergency Assistance Act (42  
15 U.S.C. 5122), the head of an executive agency shall  
16 afford a preference in the source selection process to  
17 each offeror that—

18 (A) is domiciled and properly licensed in  
19 Louisiana; and

20 (B) employs a majority of its workforce  
21 within Louisiana.

22 (2) LIMITATIONS.—The head of an executive  
23 agency may not, in connection with a contract de-  
24 scribed in paragraph (1)—



1 (A) pay more than the prevailing market  
2 price for any property or service; or

3 (B) obtain terms and conditions that are  
4 less favorable than prevailing market terms and  
5 conditions.

6 (b) SPECIAL WORKFORCE REQUIREMENT FOR SERV-  
7 ICE CONTRACTS.—

8 (1) IN GENERAL.—Notwithstanding any other  
9 provision of law and except as provided in paragraph  
10 (2), in entering into a contract to procure services  
11 pursuant to the August 29, 2005, Presidential dec-  
12 laration of a major disaster for the State of Lou-  
13 isiana (FEMA–1603–DR), the head of an executive  
14 agency shall require in the source selection process  
15 that each offeror employs Louisiana workers as not  
16 less than 30 percent of the workforce that will per-  
17 form such services.

18 (2) WAIVER.—The head of an executive agency  
19 may waive the requirement under paragraph (1) in  
20 the case of an offeror that demonstrates to the satis-  
21 faction of such head that—

22 (A) an insufficient number of appropriately  
23 skilled Louisiana workers are available to per-  
24 form the contract; and

1 (B) the offeror has made reasonable efforts  
2 to hire Louisiana workers.

3 (c) DEFINITIONS.—In this Act:

4 (1) EXECUTIVE AGENCY.—The term “executive  
5 agency” has the meaning given such term in section  
6 4 of the Office of Federal Procurement Policy Act  
7 (41 U.S.C. 403).

8 (2) LOUISIANA WORKERS.—The term “Lou-  
9 isiana workers” means workers who were residing in  
10 Louisiana as of August 28, 2005.

11 **SEC. 504. CONTINUATION OF WORKER PAYMENTS AND**  
12 **OTHER ALLOWABLE COSTS UNDER FEDERAL**  
13 **CONTRACTS.**

14 (a) TREATMENT OF WORKER COSTS.—Notwith-  
15 standing any other provision of law, all costs, direct and  
16 indirect, on Federal contracts and subcontracts that are  
17 associated with employees displaced by Hurricane  
18 Katrina, including wages, salaries, and temporary housing  
19 costs, shall be considered allowable and compensable costs,  
20 and the pricing of such contracts and subcontracts shall  
21 be equitably adjusted accordingly, whether or not, due to  
22 Hurricane Katrina, such employees are able to work on  
23 such contracts or subcontracts.

24 (b) TREATMENT OF OTHER HURRICANE KATRINA-  
25 RELATED COSTS.—Notwithstanding any other provision

1 of law, all additional costs, direct and indirect, on Federal  
2 contracts and subcontracts that are associated with  
3 delays, loss of efficiency, and disruption caused by Hurri-  
4 cane Katrina shall be considered allowable and compen-  
5 sable costs, and the pricing of such contracts and sub-  
6 contracts shall be equitably adjusted accordingly.

7 (c) REQUIRED OFFSETS FOR INSURANCE PAY-  
8 MENTS.—Contractors shall reimburse any costs covered  
9 under this section for which they receive insurance pay-  
10 ments.

11 **SEC. 505. RESTORATION OF TELECOMMUNICATIONS INFRA-**  
12 **STRUCTURE.**

13 (a) DEFINITIONS.—Section 102 of the Robert T.  
14 Stafford Disaster Relief and Emergency Assistance Act  
15 (42 U.S.C. 5122) is amended by adding at the end the  
16 following:

17 “(10) TELECOMMUNICATIONS CARRIER.—The  
18 term ‘telecommunications carrier’ has the same  
19 meaning given such term in section 3 of the Commu-  
20 nications Act of 1934 (47 U.S.C. 153) including  
21 commercial mobile radio service providers.”.

22 (b) ELIGIBILITY OF FEDERAL RESOURCES.—Section  
23 403(a) of the Robert T. Stafford Disaster Relief and  
24 Emergency Assistance Act (42 U.S.C. 5170b) is amended  
25 by adding at the end the following:

1           “(5) MAINTENANCE AND RESTORATION OF  
2           COMMUNICATIONS.—Utilizing Federal equipment,  
3           supplies, facilities, personnel, and other resources,  
4           other than the extension of credit, to assist tele-  
5           communications carriers in the maintenance and res-  
6           toration of communications during an emergency or  
7           disaster.”.

## 8           **Subtitle B—Economic Development**

### 9           **SEC. 521. RECOVERY ASSISTANCE FOR FEDERAL AND** 10           **STATE AGENCIES, BUSINESSES, INSTITU-** 11           **TIONS OF HIGHER EDUCATION, AND PUBLIC-** 12           **PRIVATE PARTNERSHIPS.**

13           (a) ESTABLISHMENT OF PROGRAM.—As soon as  
14           practicable after the date of enactment of this Act, the  
15           Secretary of Commerce (referred to in this section as the  
16           “Secretary”) shall establish a program under which the  
17           Secretary shall provide grants to eligible entities to carry  
18           out activities relating to transition, recovery, and reloca-  
19           tion for Federal and State agencies, businesses, institu-  
20           tions of higher education, and public-private partnerships  
21           in the State of Louisiana that have been affected by Hur-  
22           ricane Katrina or a related condition.

23           (b) ELIGIBLE ENTITIES.—

24           (1) IN GENERAL.—In carrying out the program  
25           under subsection (a), the Secretary shall—

1 (A) establish a list of qualifications for an  
2 eligible entity under the program; and

3 (B) solicit applications from eligible enti-  
4 ties, as the Secretary determines to be appro-  
5 priate.

6 (2) APPLICATIONS.—An eligible entity seeking  
7 a grant under this section shall submit an applica-  
8 tion to the Secretary at such time, in such manner,  
9 and containing such information as the Secretary  
10 may reasonably require.

11 (c) FEDERAL SHARE.—Notwithstanding any require-  
12 ment under the Public Works and Economic Development  
13 Act of 1965 (42 U.S.C. 3121 et seq.), the Federal share  
14 of the cost of an activity under this section shall be 100  
15 percent.

16 (d) APPROPRIATIONS.—There are authorized to be  
17 appropriated for fiscal year 2006, and are appropriated  
18 to the Secretary of Commerce, \$1,000,000,000 to carry  
19 out the program under this section. Amounts appropriated  
20 under this subsection shall remain available until ex-  
21 pended.

22 **SEC. 522. MANUFACTURING EXTENSION PARTNERSHIP**  
23 **PROGRAM.**

24 (a) WAIVER OF MATCHING REQUIREMENTS.—

1           (1) IN GENERAL.—Notwithstanding section  
2           25(c) of the National Institute of Standards and  
3           Technology Act (15 U.S.C. 278k), any Regional  
4           Center for the Transfer of Manufacturing Tech-  
5           nology that is located in an area subject to a dec-  
6           laration by the President of a major disaster as a re-  
7           sult of Hurricane Katrina, shall be exempt from the  
8           matching requirement under such subsection.

9           (2) EFFECTIVE DATE.—This subsection shall be  
10          effective during the 2-year period beginning on the  
11          date of enactment of this Act.

12          (b) APPROPRIATION.—There are authorized to be ap-  
13          propriated for fiscal year 2006, and are appropriated for  
14          such fiscal year, \$30,000,000 for the Hollings Manufac-  
15          turing Extension Partnership of the National Institute of  
16          Standards and Technology, to be used to restore the man-  
17          ufacturing and supply base in Louisiana that was ad-  
18          versely affected by Hurricane Katrina. Amounts appro-  
19          priated under this subsection shall remain available until  
20          expended.

21          **SEC. 523. PUBLIC TELECOMMUNICATIONS FACILITIES.**

22          (a) EMERGENCY GRANTS FOR CONSTRUCTION OF  
23          PUBLIC TELECOMMUNICATIONS FACILITIES.—Section  
24          392 of the Communications Act of 1934 is amended by  
25          adding at the end the following:

1       “(j) EMERGENCY GRANTS FOR FACILITIES DAM-  
2 AGED OR DESTROYED BY HURRICANE KATRINA.—

3           “(1) IN GENERAL.—There are authorized to be  
4 appropriated for fiscal year 2006, and are appro-  
5 priated for such fiscal year, \$250,000,000 for addi-  
6 tional projects for the construction, reconstruction,  
7 or reparation of public telecommunications facilities  
8 damaged or destroyed in areas affected by Hurri-  
9 cane Katrina.

10          “(2) DEFINITION.—For purposes of this sub-  
11 section, the term ‘areas affected by Hurricane  
12 Katrina’ means any area which the President has  
13 declared a major disaster under section 102 of the  
14 Robert T. Stafford Disaster Relief and Emergency  
15 Assistance Act (42 U.S.C. 5122) in connection with  
16 Hurricane Katrina.”.

17       (b) SUSPENSION OF REQUIREMENTS UNDER THE  
18 PUBLIC TELECOMMUNICATIONS FACILITIES AND CON-  
19 STRUCTION PROGRAM.—Section 392 of the Communica-  
20 tions Act of 1934 (47 U.S.C. 392), as amended by sub-  
21 section (a), is further amended by adding at the end the  
22 following:

23          “(k) SUSPENSION OF REQUIREMENTS.—For any  
24 grant awarded under this section to a grantee in an area  
25 which the President has declared a major disaster under

1 section 102 of the Robert T. Stafford Disaster Relief and  
2 Emergency Assistance Act (42 U.S.C. 5122) in connection  
3 with Hurricane Katrina, the Secretary may suspend all  
4 statutory requirements under this subtitle for purposes of  
5 assistance under this section.”.

6 **SEC. 524. GRANTS FOR TECHNOLOGY AND ECONOMIC DE-**  
7 **VELOPMENT IN AREAS AFFECTED BY HURRI-**  
8 **CANE KATRINA.**

9 Subpart E of part IV of title III of the Communica-  
10 tions Act of 1934 is amended by adding at the end the  
11 following:

12 **“SEC. 399C. GRANTS FOR TECHNOLOGY AND ECONOMIC DE-**  
13 **VELOPMENT IN AREAS AFFECTED BY HURRI-**  
14 **CANE KATRINA.**

15 “(a) PURPOSE.—The purpose of this section is to  
16 provide assistance to parishes within the State of Lou-  
17 isiana affected by Hurricane Katrina in order to facilitate  
18 the economic recovery of—

19 “(1) low and moderate income residents; and

20 “(2) small business concerns.

21 “(b) GRANT AUTHORIZED.—The Secretary may  
22 award grants under this section to parishes in the State  
23 of Louisiana whose applications for such grants are ap-  
24 proved by the Secretary under this section.



1           “(c) USE OF FUNDS.—Grants under this section may  
2 be used for activities to carry out the purposes described  
3 in this section, including—

4           “(1) the acquisition of more efficient first-re-  
5 sponder mobile communications, including  
6 deployable cellular towers to be used in cases of  
7 emergency;

8           “(2) the reconstruction and redeployment of  
9 equipment necessary to reinstate internet, wireless,  
10 broadband, and e-government services, with special  
11 priority in reinstating such services to be given to  
12 small business concerns, as defined in section 3 of  
13 the Small Business Act (15 U.S.C. 632);

14           “(3) the construction of such public tele-  
15 communications facilities as may be necessary to  
16 provide low cost broadband communication  
17 connectivity for low and middle income families, as  
18 such terms are defined in section 3 of the United  
19 States Housing Act of 1937 (42 U.S.C. 1437a); and

20           “(4) the construction of a broadband dual-pur-  
21 pose municipal wireless communication network to  
22 be used for—

23           “(A) city-wide operations within the city of  
24 New Orleans, Louisiana; and

1           “(B) public Internet access in 100-block  
2           area of downtown New Orleans using wireless-  
3           fidelity (commonly known as ‘Wi-Fi’) tech-  
4           nology.

5           “(d) APPLICATION AND SELECTION.—A parish seek-  
6           ing a grant under this section shall submit an application  
7           to the Secretary at such time, in such manner, and con-  
8           taining such information as the Secretary may reasonably  
9           require.

10          “(e) REPORTING REQUIREMENTS.—The Secretary  
11          shall require grant recipients under this section to report  
12          the uses of all amounts expended for each of the eligible  
13          activities described in subsection (c).

14          “(f) APPROPRIATION.—There are authorized to be  
15          appropriated for fiscal year 2006, and are appropriated  
16          for such fiscal year, \$19,000,000 to carry out this sec-  
17          tion.”.

18          **SEC. 525. RELIEF FOR CRAWFISH INDUSTRY.**

19          (a) FINDINGS.—Congress makes the following find-  
20          ings:

21                  (1) Since September 15, 1997, there has been  
22                  an antidumping duty order requiring payment of  
23                  antidumping duties on imports of freshwater craw-  
24                  fish tail meat from the People’s Republic of China.

1           (2) The United States Bureau of Customs and  
2           Border Protection is required to collect all customs  
3           duties, including antidumping duties, lawfully im-  
4           posed on imports of merchandise entering the  
5           United States. Nevertheless, less than \$30,000,000  
6           in antidumping duties on imports of freshwater  
7           crawfish tail meat from the People's Republic of  
8           China has been collected since 1997, while more  
9           than \$285,000,000 in antidumping duties are owed  
10          but uncollected.

11          (3) During each of the fiscal years 2002, 2003,  
12          and 2004, non-collection of lawful antidumping du-  
13          ties has deprived the affected domestic producers of  
14          freshwater crawfish tail meat in Louisiana of ap-  
15          proximately \$46,187,768 to which they would other-  
16          wise have been entitled under the Continued Dump-  
17          ing and Subsidy Offset Act of 2000 (section 754 of  
18          the Tariff Act of 1930).

19          (4) Freshwater crawfish tail meat is produced  
20          in the United States only in Louisiana and the do-  
21          mestic product is sold almost exclusively to pur-  
22          chasers within Louisiana.

23          (5) The United States International Trade  
24          Commission has found that over 97 percent of the  
25          domestic industry's sales since 2000 have been to

1 purchasers within Louisiana, such as food stores,  
2 restaurants, and seafood markets. Since 1999, more  
3 than half of the domestic industry's sales has been  
4 to local food stores in Louisiana. New Orleans, the  
5 State's largest city has accounted for a large portion  
6 of the domestic industry's sales.

7 (6) Hurricane Katrina has damaged or destroyed tra-  
8 ditional markets in southern Louisiana on which the do-  
9 mestic industry relies, creating an urgent need among  
10 such producers for immediate restitution of amounts re-  
11 quired to be collected by the Bureau of Customs and Bor-  
12 der Protection and distributed to affected domestic pro-  
13 ducers of freshwater crawfish tail meat.

14 (7) Under existing law, payments to affected  
15 domestic producers under the Continued Dumping  
16 and Subsidy Offset Act of 2000 are limited to the  
17 amount of such producers' qualifying expenditures,  
18 and all antidumping duties collected beyond that  
19 amount are paid into the Treasury to meet the gen-  
20 eral expenses of the Federal Government. Because  
21 the total amount of unpaid antidumping duties on  
22 freshwater crawfish tail meat exceeds the domestic  
23 industry's qualifying expenditures by more than  
24 \$200,000,000, full collection of all duties owed will  
25 provide a net benefit to United States taxpayers.

1           (8) All relief provided to the domestic crawfish  
2 industry should be fully repaid to the Treasury  
3 under existing law upon collection of the unpaid  
4 antidumping duties. Accordingly, the relief provided  
5 by this section does not increase the burden on  
6 United States taxpayers. The provisions of this sec-  
7 tion ensure that the Bureau of Customs and Border  
8 Protection complies in a timely fashion with its pre-  
9 existing legal obligations.

10           (9) Payments owed to domestic crawfish proc-  
11 essors have been further delayed because of a recent  
12 policy change by the Department of Commerce  
13 which delays the issuance of liquidation instructions  
14 for certain imports of freshwater crawfish tail meat.  
15 Reversal of this unwarranted policy change is re-  
16 quired in order to provide prompt relief to the do-  
17 mestic crawfish industry.

18           (b) EMERGENCY RESTITUTION OF AMOUNTS OWED  
19 TO AFFECTED DOMESTIC PRODUCERS OF FRESHWATER  
20 CRAWFISH TAIL MEAT.—

21           (1) IN GENERAL.—The Secretary of the Treas-  
22 ury shall distribute, within 30 days after receiving a  
23 request therefor, a pro rata portion of the  
24 \$46,187,768, to each person that was determined by  
25 the Bureau of Customs and Border Protection under

1 the Continued Dumping and Subsidy Offset Act of  
2 2000 to be an affected domestic producer of fresh-  
3 water crawfish tail meat during fiscal year 2004.

4 (2) AMOUNT PAYABLE.—The Secretary shall  
5 distribute to each person making a request under  
6 paragraph (1) an amount in the same proportion as  
7 such person’s share of the total distribution of fresh-  
8 water crawfish tail meat duties under the Continued  
9 Dumping and Subsidy Offset Act of 2000 at the end  
10 of fiscal year 2004, as stated in the Continued  
11 Dumping and Subsidy Offset Act Annual Report for  
12 fiscal Year 2004 (CDSOA FY2004 Annual Report).

13 (3) REQUEST FOR AMOUNT.—A person request-  
14 ing an amount under this section shall be required  
15 to provide only the person’s name, address, social se-  
16 curity number or taxpayer identification number,  
17 and a certification that—

18 (A) the person is the same person named  
19 in the CDSOA FY2004 Annual Report and de-  
20 termined by the Bureau of Customs and Border  
21 Protection to have been an affected domestic  
22 producer of freshwater crawfish tail meat dur-  
23 ing fiscal year 2004; and

24 (B) the total amount of any funds received  
25 by such person under this section shall be ex-

1           cluded from the amount claimed as qualifying  
2           expenditures in any subsequent certification  
3           submitted for the purpose of obtaining a pay-  
4           ment under the Continued Dumping and Sub-  
5           sidy Offset Act of 2000.

6           (c) INCENTIVE FOR IMPROVED ENFORCEMENT AND  
7           COLLECTION OF THE ANTIDUMPING DUTY ORDER RE-  
8           LATING TO IMPORTS OF FRESHWATER CRAWFISH TAIL  
9           MEAT.—Not later than January 15 of each year, the Sec-  
10          retary of the Treasury shall review the amount of duties  
11          collected during the preceding fiscal year pursuant to the  
12          antidumping duty order issued on September 15, 1997  
13          against imports of freshwater crawfish tail meat from the  
14          People’s Republic of China. If the Secretary determines  
15          that the total amount of antidumping duties collected pur-  
16          suant to that order is 5 percent or less of the total amount  
17          of antidumping duties owed to the United States on liq-  
18          uidations occurring during such preceding fiscal year on  
19          entries of merchandise subject to such order—

20                 (1) an amount equal to 15 percent of such du-  
21          ties owed but uncollected during such preceding fis-  
22          cal year under such order shall be transferred, on or  
23          before the last day of the current fiscal year, into  
24          the special account established under section 754(e)

1 of the Tariff Act of 1930 with respect to such order;  
2 and

3 (2) the amount transferred into the special ac-  
4 count shall be treated, for purposes of section 754  
5 of the Tariff Act of 1930, as duties assessed during  
6 the current fiscal year pursuant to such order and  
7 shall be excluded from the calculation of whether the  
8 total amount of duties collected pursuant to the  
9 order is 5 percent or less of the total amount of  
10 antidumping duties owed on liquidations occurring  
11 during the preceding fiscal year.

12 (d) **TIMELY ISSUANCE OF LIQUIDATION INSTRUC-**  
13 **TIONS BY COMMERCE.**—In any antidumping duty admin-  
14 istrative review conducted under section 751 of the Tariff  
15 Act of 1930, the Department of Commerce, or such other  
16 officer of the United States acting as the administering  
17 authority under section 771(1) of such Act, shall, within  
18 30 days after receiving a request for review from an inter-  
19 ested party (as defined in section 771(9) (C), (D), (E),  
20 (F), or (G) of such Act) issue instructions to the Bureau  
21 of Customs and Border Protection for the immediate liq-  
22 uidation and assessment of duties with respect to entries  
23 of the subject merchandise that were made during the pe-  
24 riod covered by the review from any foreign entity without



1 regard to whether that entity was specifically named in  
2 the request for the administrative review.

3 **SEC. 526. NOAA WEATHER RADIO.**

4 (a) DEFINITIONS.—In this section:

5 (1) ADMINISTRATOR.—The term “Adminis-  
6 trator” means the Administrator of the National  
7 Oceanic and Atmospheric Administration.

8 (2) ELIGIBLE INDIVIDUAL.—The term “eligible  
9 individual” means a low-income individual who is a  
10 resident of Louisiana.

11 (3) NOAA WEATHER RADIO.—The term  
12 “NOAA Weather Radio” means the broadcasts of  
13 continuous weather information by a nationwide net-  
14 work of radio stations provided by the National Oce-  
15 anic and Atmospheric Administration.

16 (4) NOAA WEATHER RADIO RECEIVER.—The  
17 term “NOAA Weather Radio receiver” means a  
18 radio receiver that is capable of receiving broadcasts  
19 from NOAA Weather Radio.

20 (b) RECEIVER PROGRAM.—The Administrator shall  
21 establish a program to provide a NOAA Weather Radio  
22 receiver at no cost or at a reduced cost to any eligible  
23 individual.

24 (c) NOAA WEATHER RADIO EXPANDED COV-  
25 ERAGE.—The Administrator shall expand the area that is

1 able to receive radio broadcasts made by NOAA Weather  
2 Radio.

3 **SEC. 527. EFFECTS OF HURRICANE KATRINA ON FISH AND**  
4 **WILDLIFE.**

5 (a) REPORT ON FISHERIES.—Not later than 180  
6 days after the date of enactment of this Act, the Adminis-  
7 trator shall prepare a report on the impacts of the hurri-  
8 cane that arrived in Louisiana on August 29, 2005, on—

9 (1) commercial and recreational fisheries in  
10 such States;

11 (2) shrimp fishing vessels in such States; and

12 (3) the oyster industry in such States.

13 (b) REPORT ON HABITAT.—Not later than 180 days  
14 after the date of enactment of this Act, the Administrator  
15 and the Secretary of the Interior shall jointly prepare a  
16 report on the impacts of the hurricane that hit Louisiana  
17 on August 29, 2005, on fish and wildlife habitat, including  
18 the habitat of migratory birds, shrimp, and oysters, in  
19 such States.

20 (c) RESTORATION.—The Administrator and the Sec-  
21 retary of the Interior shall carry out activities to restore  
22 fish and wildlife habitat, including the habitat of migra-  
23 tory birds, shrimp, and oysters, in Louisiana.

1 **SEC. 528. MINORITY BUSINESS DEVELOPMENT AGENCY.**

2 (a) APPROPRIATION.—There are authorized to be ap-  
3 propriated, and are appropriated to the Secretary of Com-  
4 merce, \$50,000,000, for minority business development  
5 assistance to Hurricane Katrina victims for the recon-  
6 struction of records, packaging for disaster loans, insur-  
7 ance claims, and overall consultation to reestablish busi-  
8 ness in Louisiana. Amounts appropriated under this sub-  
9 section shall remain available until expended.

10 (b) FEES.—In the provision of assistance with funds  
11 appropriated by this section, the Minority Business Devel-  
12 opment Agency of the Department of Commerce shall  
13 waive fees and not require cost-sharing.

14 **SEC. 529. SOUTHEAST LOUISIANA ENTREPRENEURSHIP DE-**  
15 **VELOPMENT NETWORK.**

16 (a) ESTABLISHMENT.—There is established an entre-  
17 preneurship redevelopment program to be administered by  
18 the Economic Development Administration of the Depart-  
19 ment of Commerce to rebuild and diversify New Orleans,  
20 Louisiana and the 10 surrounding parishes (in this sec-  
21 tion, referred to as the “region”). The program shall con-  
22 sist of—

- 23 (1) an entrepreneur facility;  
24 (2) a seed capital fund; and  
25 (3) a business accelerator program.

1 (b) PURPOSES OF PROGRAM.—The program estab-  
2 lished under subsection (a) shall be designed to—

3 (1) allow the region to create a program to re-  
4 cruit a high-level entrepreneurship base segmented  
5 by area of expertise to participate in the rebirth of  
6 the region;

7 (2) encourage existing small businesses to re-  
8 main in the region, recruit entrepreneurs and inves-  
9 tors to the region, accelerate the growth of the en-  
10 trepreneurial ventures, and lead business creation  
11 marketing efforts;

12 (3) establish business partnerships with the na-  
13 tional small business community and attract inves-  
14 tors in small business ventures; and

15 (4) provide operation costs.

16 (c) ENTREPRENEUR FACILITY.—The entrepreneur  
17 facility established pursuant to this section shall provide  
18 a physical infrastructure for incubation community needs.

19 (c) SEED CAPITAL FUND.—The seed capital fund es-  
20 tablished pursuant to this section shall be used to provide  
21 capital to young companies and attract venture capital.

22 (d) BUSINESS ACCELERATOR PROGRAM.—

23 (1) IN GENERAL.—The business accelerator  
24 program established pursuant to this section shall  
25 provide a professional team to assist companies with

1 business development, training and education,  
2 mentorship networks, consulting services, and re-  
3 sources for raising capital.

4 (2) TRAINING.—Training provided under the  
5 business accelerator program shall include assisting  
6 less experienced entrepreneurs with business, man-  
7 agement, and entrepreneurial development skills.

8 (3) OUTREACH.—The business accelerator pro-  
9 gram shall also provide funds to attract companies  
10 and entrepreneurs to the region and provide commu-  
11 nity outreach and social network development oppor-  
12 tunities.

13 (e) APPROPRIATION.—There are authorized to be ap-  
14 propriated and are appropriated to the Economic Develop-  
15 ment Administration \$200,000,000 for fiscal years 2006  
16 through 2010 to carry out this section of which—

17 (1) \$78,000,000 shall be for the entrepreneur  
18 facility;

19 (2) \$77,000,000 shall be for the seed capital  
20 fund; and

21 (3) \$45,000,000 shall be for operations, includ-  
22 ing business development, training and education,  
23 consultants and marketing.

24 Funds appropriated pursuant to this section shall remain  
25 available until expended.

1 **SEC. 530. EXPORT ASSISTANCE PROGRAM.**

2 (a) IN GENERAL.—Not later than 90 days after the  
3 date of the enactment of this Act, the Secretary of Com-  
4 merce shall develop and implement an export assistance  
5 grant program for businesses located in Louisiana.

6 (b) SCOPE OF PROGRAM.—The export assistance  
7 grant program established under this section shall be de-  
8 signed to—

9 (1) provide companies located in Louisiana with  
10 export-related training and development assistance;

11 (2) provide the companies with assistance in  
12 seeking access to international markets for their  
13 products, including travel and marketing assistance;

14 (3) focus on international market development;

15 (4) foster a special relationship between the  
16 Foreign Commercial Service and the International  
17 Trade Administration, companies located in Lou-  
18 isiana and State officials in that State;

19 (5) provide for the creation of a special task  
20 force of Foreign Commercial Officers (FCO's) within  
21 the Foreign Commercial Service to arrange market  
22 opportunities for companies based in Louisiana ;

23 (6) increase the development of the export-re-  
24 lated industries in Louisiana;

25 (7) increase the number of firms shipping  
26 United States-made products to foreign markets;

1           (8) attract new foreign capital for products  
2           made in Louisiana; and

3           (9) assist in the economic recovery of Lou-  
4           isiana.

5           (c) APPLICATION AND ELIGIBILITY FOR GRANT.—

6           (1) APPLICATIONS.—Applications for a grant  
7           under this section shall be made to the Secretary of  
8           Commerce at such time, in such manner, and con-  
9           taining such information as the Secretary shall rea-  
10          sonably require.

11          (2) ELIGIBILITY.—The Secretary shall award  
12          grants under this section to companies in Louisiana,  
13          giving priority to applications from companies lo-  
14          cated in an area with respect to which the President  
15          has declared a major disaster relating to Hurricane  
16          Katrina that—

17                (A) were engaged in the active conduct of  
18                a trade or business in such disaster area on Au-  
19                gust 28, 2005;

20                (B) continue to engage in, or have re-  
21                sumed, such trade or business in such area;

22                (C) employ more than 5 employees whose  
23                principal place of employment is in such area;  
24                and

1 (D) seek to develop export programs with  
2 countries in South America, Central America,  
3 or the Caribbean.

4 (3) REPORT.—The Secretary shall require each  
5 company receiving a grant under this section to re-  
6 port on how the grant was used and the amounts ex-  
7 pended for each activity described in this section.

8 (d) APPROPRIATION.—There are authorized to be ap-  
9 propriated and are appropriated to the Secretary of Com-  
10 merce \$35,000,000 for each of the fiscal years 2006,  
11 2007, 2008, 2009, and 2010 to carry out the export as-  
12 sistance grant program established pursuant to this sec-  
13 tion. Funds appropriated shall remain available until ex-  
14 pended.

## 15 **Subtitle C—Transportation**

### 16 **SEC. 541. LOUISIANA DEPARTMENT OF TRANSPORTATION** 17 **AND DEVELOPMENT.**

18 (a) DEFINITIONS.—In this section:

19 (1) DEPARTMENT.—The term “Department”  
20 means the Louisiana Department of Transportation  
21 and Development.

22 (2) STATE.—The term “State” means the State  
23 of Louisiana.

24 (b) EVACUATION AND ENERGY SUPPLY ROUTES.—



1           (1) ESTABLISHMENT.—As soon as practicable  
2 after the date of enactment of this Act, the Depart-  
3 ment shall establish a program under which the De-  
4 partment shall construct, maintain, and repair evac-  
5 uation and energy supply routes in the State.

6           (2) INCLUSIONS.—In carrying out the program  
7 under paragraph (1), the Department shall con-  
8 struct, maintain, and repair routes on—

9                   (A) Interstate Route 49 from Lafayette,  
10 Louisiana, to New Orleans, Louisiana;

11                   (B) Louisiana Highway 1;

12                   (C) the Houma-Terrebonne Interstate  
13 Route 10 connector; and

14                   (D) Louisiana Highway 25 through Wash-  
15 ington Parish and St. Tammany Parish, Lou-  
16 isiana.

17           (3) APPROPRIATION.—There are authorized to  
18 be appropriated and are appropriated to carry out  
19 this subsection \$7,000,000,000, to remain available  
20 until expended.

21           (c) ROAD AND TRANSIT CAPACITY EXPANSION.—

22           (1) ESTABLISHMENT.—As soon as practicable  
23 after the date of enactment of this Act, the Depart-  
24 ment shall establish a program under which the De-  
25 partment shall provide grants to local governments

1 in the State that experience significant population  
2 growth, as determined by the Department, to expand  
3 road and transit capacity in the community.

4 (2) APPROPRIATION.—There are authorized to  
5 be appropriated and are appropriated to carry out  
6 this subsection \$5,000,000,000, to remain available  
7 until expended.

8 (d) PORT OF NEW ORLEANS RESTORATION, PROTEC-  
9 TION, AND IMPROVEMENT.—

10 (1) IN GENERAL.—As soon as practicable after  
11 the date of enactment of this Act, the Department  
12 shall provide a grant to the operator of the Port of  
13 New Orleans, Louisiana, to carry out activities to re-  
14 store, protect, and improve the infrastructure of the  
15 Port of New Orleans, including activities relating  
16 to—

17 (A) jetties;

18 (B) bank stabilization;

19 (C) channel clearing;

20 (D) dredging and deepening; and

21 (E) strengthening and expanding the facil-  
22 ity and related equipment.

23 (2) APPROPRIATION.—There is authorized to be  
24 appropriated and are appropriated to carry out this

1 subsection \$1,000,000,000, to remain available until  
2 expended.

3 (e) OTHER PORT INFRASTRUCTURE RESTORATION,  
4 PROTECTION, AND IMPROVEMENT.—

5 (1) ESTABLISHMENT.—As soon as practicable  
6 after the date of enactment of this Act, the Depart-  
7 ment shall establish a program under which the De-  
8 partment shall provide grants to operators of ports  
9 in the State, other than the Port of New Orleans,  
10 that are affected by Hurricane Katrina or a related  
11 condition to restore, protect, and improve the infra-  
12 structure of the ports, including by carrying out ac-  
13 tivities relating to—

14 (A) jetties;

15 (B) bank stabilization;

16 (C) channel clearing;

17 (D) breakwaters;

18 (E) dredging and deepening; and

19 (F) strengthening and expanding the facil-  
20 ity and related equipment.

21 (2) APPROPRIATION.—There is authorized to be  
22 appropriated and are appropriated to carry out this  
23 subsection \$1,000,000,000, to remain available until  
24 expended.

25 (f) ADMINISTRATIVE PROVISIONS.—

1           (1) ADMINISTRATIVE EXPENSES.—None of the  
2 funds made available under this section shall be used  
3 for administrative expenses of an activity carried out  
4 under this subtitle.

5           (2) FEDERAL SHARE.—Notwithstanding any  
6 other provision of law, the Federal share of the cost  
7 of an activity under this section shall be 100 per-  
8 cent.

9 **SEC. 542. FEDERAL AVIATION ADMINISTRATION.**

10          (a) AIRPORT REIMBURSEMENT.—There is authorized  
11 to be appropriated to the Federal Aviation Administration  
12 \$71,800,000 for reimbursements to the Louis Armstrong  
13 New Orleans International Airport for anticipated revenue  
14 shortfalls due to Hurricane Katrina, which shall remain  
15 available to be expended through September 30, 2007.

16          (b) AIR NAVIGATION FACILITIES AND EQUIPMENT.—  
17 There are authorized to be appropriated \$7,000,000, to  
18 remain available until expended, to carry out section  
19 48101(c) of title 49, United States Code.

20 **SEC. 543. FEDERAL HIGHWAY ADMINISTRATION.**

21          (a) EMERGENCY RELIEF PROGRAM MODIFICA-  
22 TIONS.—

23           (1) MAXIMUM AMOUNT.—Notwithstanding sec-  
24 tion 125(c)(1) of title 23, United States Code, or  
25 any other provision of law, the Secretary of Trans-

1 portation may obligate more than \$100,000,000 in  
2 a State for a fiscal year under the emergency relief  
3 program authorized by section 125 of such title, for  
4 projects for the repair or reconstruction of highways,  
5 roads, and trails in response to damage caused by  
6 Hurricane Katrina.

7 (2) FEDERAL SHARE.—Notwithstanding section  
8 120(e) of such title or any other provision of law,  
9 during the 3-year period beginning on the date of  
10 enactment of this Act, the Federal share of the cost  
11 of each project described in paragraph (1) shall be  
12 100 percent.

13 (3) APPROPRIATION.—In addition to amounts  
14 otherwise available, there is appropriated, out of any  
15 funds in the Treasury not otherwise appropriated,  
16 for the emergency relief program authorized under  
17 section 125 of such title, \$2,900,000,000, to remain  
18 available until expended.

19 (4) TWIN-SPAN INTERSTATE 10 BRIDGE.—Not-  
20 withstanding any other provision of law, of the  
21 amounts made available for the Emergency Relief  
22 Program under section 125 of title 23, United  
23 States Code, such sums as may be necessary shall  
24 be available for the replacement, to current stand-  
25 ards, of the twin-span Interstate 10 bridge spanning

1 Lake Pontchartrain between New Orleans, Lou-  
2 isiana, and Slidell, Louisiana: *Provided*, That the re-  
3 placement structure shall be constructed to  
4 accomodate the 20-year projected Average Daily  
5 Traffic, but shall not be less than 6 lanes wide, plus  
6 full shoulders, in accordance with the applicable de-  
7 sign standards of the American Association of State  
8 Highway and Transportation Officials: *Provided fur-*  
9 *ther*, That the height of the structure shall be in-  
10 creased if necessary to satisfy current hydraulic  
11 standards and navigational needs.

12 (c) LOUISIANA DEVELOPMENT DISTRICTS.—

13 (1) DEFINITION OF AFFECTED DISTRICT.—In  
14 this subsection, the term “affected district” means—

15 (A) the Regional Planning Commission;

16 (B) the Capital Region Planning Commis-  
17 sion;

18 (C) the Acadiana Regional Development  
19 District;

20 (D) the Imperial Calcasieu Regional Plan-  
21 ning and Development District; and

22 (E) the South Central Planning and Devel-  
23 opment District.

24 (2) COMPREHENSIVE DEVELOPMENT PLANS.—

25 As soon as practicable after the date of enactment

1 of this Act, the head of each affected district shall  
2 establish and implement a comprehensive develop-  
3 ment plan for the jurisdiction of the affected district  
4 in response to Hurricane Katrina and related condi-  
5 tions.

6 (3) APPROPRIATION.—There is authorized to be  
7 appropriated and is appropriated to the affected dis-  
8 tricts to carry out this subsection \$20,000,000, to  
9 remain available until expended.

10 (d) FUNDING DESIGNATION.—The amounts made  
11 available under this section are designated as an emer-  
12 gency requirement pursuant to section 402 of H. Con.  
13 Res. 95 (109th Congress).

14 **SEC. 544. FEDERAL RAILROAD ADMINISTRATION.**

15 There is authorized to be appropriated to the Federal  
16 Railroad Administration \$36,000,000 for reimbursements  
17 to the New Orleans Public Belt Railroad for anticipated  
18 revenue shortfalls due to Hurricane Katrina, which shall  
19 remain available through September 30, 2007.

20 **SEC. 545. FEDERAL TRANSIT ADMINISTRATION.**

21 There is authorized to be appropriated to the New  
22 Orleans Regional Transit Authority for revenues lost as  
23 a consequence of Hurricane Katrina, \$190,000,000, to re-  
24 main available until September 30, 2007.

1 **SEC. 546. MARITIME ADMINISTRATION.**

2 (a) APPROPRIATION OF FUNDS.—There is authorized  
3 to be appropriated, as authorized by the title XI of the  
4 Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et  
5 seq.), \$150,000,000, for the cost of guaranteed loans for  
6 the construction, reconstruction, or reconditioning of ves-  
7 sels at a facility in an area impacted by Hurricane  
8 Katrina. Such costs, including the cost of modifying such  
9 loans, shall be as defined in section 502 of the Congres-  
10 sional Budget Act of 1974 (2 U.S.C. 661a).

11 (b) RISK FACTOR OF LOANS.—The risk factor of a  
12 loan guaranteed by amounts appropriated in subsection  
13 (a) shall be deemed to be 5 percent

14 (c) WAIVER OF REVIEW.—An application for a loan  
15 guarantee under title XI of the Merchant Marine Act,  
16 1936 shall not be subject to the review process of the De-  
17 partment of Transportation Credit Council.

18 **SEC. 547. CAPITAL CONSTRUCTION FUND.**

19 The Secretary of Transportation shall expedite and  
20 streamline the procedures for the withdrawal of funds  
21 from the Capital Construction Fund (CCF) and expand  
22 the qualified uses of such funds to include operating ex-  
23 penses and repair of a vessel or purchase of a new vessel.



1     **Subtitle D—AmeriCorps Disaster**  
2                     **Relief Corps**

3     **SEC. 551. SHORT TITLE.**

4             This subtitle may be cited as the “AmeriCorps Dis-  
5 aster Relief Corps Act of 2005”.

6     **SEC. 552. DEFINITIONS.**

7             In this subtitle:

8                     (1) APPROVED NATIONAL SERVICE POSITION;  
9             NATIONAL SERVICE LAWS.—The terms “approved  
10             national service position” and “national service  
11             laws” have the meanings given the terms in section  
12             101 of the National and Community Service of 1990  
13             (42 U.S.C. 12511).

14                    (2) EMERGENCY; MAJOR DISASTER.—The terms  
15             “emergency” and “major disaster” have the mean-  
16             ings given such terms in paragraphs (1) and (2) of  
17             section 102 of the Robert T. Stafford Disaster Relief  
18             and Emergency Assistance Act (42 U.S.C. 5122(1)  
19             and (2)).

20     **SEC. 553. AUTHORITY.**

21             The Corporation for National and Community Serv-  
22             ice (referred to in this subtitle as the “Corporation”) shall  
23             administer the activities authorized under this subtitle.

1 **SEC. 554. ESTABLISHMENT OF SPECIAL AMERICORPS DIS-**  
2 **ASTER RELIEF CORPS.**

3 (a) ESTABLISHMENT.—There is established an  
4 AmeriCorps Disaster Relief Corps to carry out, through  
5 an AmeriCorps Disaster Relief Corps national service pro-  
6 gram administered by the Corporation, full- or part-time  
7 service projects that provide food, clothing, shelter, and  
8 other humanitarian assistance for victims of major disas-  
9 ters and emergencies, projects involving cleaning, repair,  
10 and reconstruction of structures, facilities, and lands lo-  
11 cated within a disaster area resulting from a major dis-  
12 aster or emergency, and other projects arising from the  
13 consequences of major disasters and emergencies.

14 (b) RECRUITMENT OF PARTICIPANTS AND ELIGI-  
15 BILITY.—

16 (1) RECRUITMENT.—The Corporation shall en-  
17 deavor to recruit up to 10,000 eligible participants  
18 for the national service program established under  
19 subsection (a) (in addition to participants eligible for  
20 participation in a national service program under the  
21 national service laws).

22 (2) ELIGIBILITY.—

23 (A) COMPARABLE PROGRAM.—In this  
24 paragraph, the term “comparable program”  
25 means—

1 (i) the program under subtitle C of  
2 title I of National and Community Service  
3 Act of 1990 (42 U.S.C. 12571 et seq.);

4 (ii) the program under subtitle E of  
5 title I of the National and Community  
6 Service Act of 1990 (42 U.S.C. 12611 et  
7 seq.); and

8 (iii) the program under title I of the  
9 Domestic Volunteer Service Act of 1973  
10 (42 U.S.C. 4951 et seq.).

11 (B) ELIGIBILITY.—Eligibility to partici-  
12 pate in the national service program established  
13 under subsection (a) shall be on the same basis  
14 as for participation in an approved national  
15 service position in any comparable program.

16 (C) RELATIONSHIP TO BENEFITS.—An in-  
17 dividual selected as a participant in the national  
18 service program who is eligible for participation  
19 in an approved national service position in a  
20 comparable program shall be eligible for living  
21 allowances, educational awards, and other sup-  
22 port authorized for participants in approved na-  
23 tional service positions in that comparable pro-  
24 gram.

1           (c) PROJECTS.—Participants in the national service  
2 program established under subsection (a) may serve on  
3 projects that—

4           (1) help those affected by a major disaster or  
5 emergency assess their needs;

6           (2) assist in the construction of temporary  
7 housing for the displaced victims of a major disaster  
8 or emergency;

9           (3) provide relocation services for victims of a  
10 major disaster or emergency, including providing  
11 food, water and clothing distribution and housing lo-  
12 cation services;

13           (4) conduct outreach to local businesses, build-  
14 ing owners, and others with applications for disaster  
15 relief and for other assistance to be provided by  
16 Federal or State government;

17           (5) provide employment services for victims,  
18 such as identifying job training, job placement, and  
19 other opportunities;

20           (6) conduct environmental surveys, monitoring  
21 water quality and determining the environmental im-  
22 pact on the affected region;

23           (7) provide teaching and administrative support  
24 functions for school systems where displaced chil-  
25 dren have enrolled;

1           (8) work with schools to identify and mentor  
2 students coping with the impact of a major disaster  
3 or emergency;

4           (9) work with public officials to prepare them  
5 for future major disasters or emergencies; and

6           (10) otherwise assist with the rebuilding of the  
7 affected region.

8 **SEC. 555. GRANTS TO STATES, CITIES, ORGANIZATIONS; CO-**  
9 **OPERATION WITH FEDERAL AGENCIES.**

10         The Corporation may use funds authorized under this  
11 subtitle, in supporting projects or activities consistent with  
12 those specified in section 554(c), to—

13           (1) make grants to, or enter into agreements  
14 with States, subdivisions of States, or other organi-  
15 zations to support AmeriCorps projects under sec-  
16 tion 121 of the National and Community Service Act  
17 (42 U.S.C. 12571);

18           (2) support the National Civilian Community  
19 Corps authorized under subtitle E of title I of the  
20 National and Community Service Act (42 U.S.C.  
21 12611 et seq.);

22           (3) support the VISTA program under title I of  
23 the Domestic Volunteer Service Act (42 U.S.C. 4951  
24 et seq.); and



1 **SEC. 557. AUTHORITY FOR THIRD-TERM BENEFITS AND**  
2 **EDUCATIONAL AWARD.**

3 Notwithstanding any other provision of law, a partici-  
4 pant serving in the national service program established  
5 under section 554(a) may serve a third term of service  
6 in an approved national service position and may receive  
7 living allowances, educational awards, and other support  
8 authorized for participants in approved national service  
9 positions under the national service laws on the same basis  
10 as an individual serving in a first or second term of service  
11 in an approved national service position. For purposes of  
12 this section, a participant serving in the national service  
13 program established under section 554(a) shall be consid-  
14 ered to be serving in an approved national service position.

15 **SEC. 558. ADMINISTRATIVE EXPENSES.**

16 The Corporation may use not more than 2 percent  
17 of funds authorized under section 562 for the administra-  
18 tion of this subtitle.

19 **SEC. 559. ACCEPTANCE OF DONATED SERVICES.**

20 Section 196(a)(2)(A) of the National and Community  
21 Service Act (42 U.S.C. 12651g(a)(2)(A)) is amended by  
22 striking “money or property” and inserting “money, serv-  
23 ices, or property”.

1 **SEC. 560. GRANTS NOT SUBJECT TO ANNUAL APPROPRIA-**  
2 **TIONS LIMITATIONS.**

3 Notwithstanding any other provision of law, funds  
4 provided under this subtitle to administer, reimburse, or  
5 support any national service program authorized under  
6 the national service laws shall not be considered in apply-  
7 ing any limitation on funding for such programs in annual  
8 appropriations acts.

9 **SEC. 561. AUTHORITY TO SUPPORT PROGRAMS OPERATED**  
10 **BY FEDERAL AGENCIES.**

11 Notwithstanding any other provision of law, the Cor-  
12 poration may use funds authorized under this subtitle to  
13 enter into a contract or cooperative agreement with an-  
14 other Federal agency to support a national service pro-  
15 gram carried out by that agency consistent with section  
16 121(b) of the National and Community Service Act of  
17 1990 (42 U.S.C. 12571(b)).

18 **SEC. 562. APPROPRIATION.**

19 There is authorized to be appropriated and is appro-  
20 priated to the Corporation \$75,000,000 for each of fiscal  
21 years 2006 and 2007 to carry out this subtitle.



1 **TITLE VI—HURRICANE PROTEC-**  
2 **TION AND ENVIRONMENTAL**  
3 **RESTORATION**

4 **Subtitle A—Hurricane Protection**

5 **CHAPTER 1—DOMESTIC OFFSHORE**

6 **ENERGY REINVESTMENT ACT OF 2005**

7 **SEC. 601. SHORT TITLE.**

8 This chapter may be cited as the “Domestic Offshore  
9 Energy Reinvestment Act of 2005”.

10 **SEC. 602. OUTER CONTINENTAL SHELF.**

11 (a) DEFINITIONS.—In this section:

12 (1) COASTAL POLITICAL SUBDIVISION.—The  
13 term “coastal political subdivision” means a political  
14 subdivision of a coastal State any part of which po-  
15 litical subdivision is within the coastal zone (as de-  
16 fined in section 304 of the Coastal Zone Manage-  
17 ment Act of 1972 (16 U.S.C. 1453)) of the coastal  
18 State as of the date of enactment of this section and  
19 not more than 200 nautical miles from the geo-  
20 graphic center of any leased tract.

21 (2) COASTAL STATE.—The term “coastal  
22 State” has the meaning given the term in section  
23 304(4) of the Coastal Zone Management Act (16  
24 U.S.C. 1453(4)), except that it shall exclude any  
25 such State among the contiguous 48 States, a ma-

1 jority of the coastline of which was subject to leasing  
2 moratoria on January 1, 2005.

3 (3) LEASED TRACT.—The term “leased tract”  
4 means a tract maintained under section 6 of the  
5 Outer Continental Shelf Lands Act (43 U.S.C.  
6 1335) or leased under section 8 of that Act (43  
7 U.S.C. 1337).

8 (b) PAYMENTS TO ADJACENT COASTAL STATES.—

9 (1) IN GENERAL.—Notwithstanding any other  
10 provision of law, the Secretary of the Treasury shall,  
11 subject to subsection (c), make a payment in Decem-  
12 ber of 2005 and each December thereafter in an  
13 amount equivalent to 50 per cent of all the amounts  
14 received by the United States from each leased tract  
15 or portion of a leased tract lying seaward of the zone  
16 defined and governed by section 8(g) of the Outer  
17 Continental Shelf Lands Act (43 U.S.C. 1337(g))  
18 (or lying within that zone but to which section 8(g)  
19 does not apply), including fees, bonus bids, rents,  
20 royalties (including payments from royalties taken  
21 in-kind and sold), net profit share payments, and re-  
22 lated interest from the immediately preceding fiscal  
23 year to each adjacent coastal State.

24 (2) ADJACENT COASTAL STATE.—For purposes of  
25 this subsection, a State shall be considered to be an adja-

1 cent coastal State if the nearest point on the coastline of  
2 the State is within 200 nautical miles of a leased tract.

3 (3) MULTIPLE STATES.—In a case in which more  
4 than 1 State is located within 200 nautical miles of any  
5 portion of a leased tract, the amount allocated to each  
6 State (within 200 nautical miles of the leased tract) shall  
7 be based upon a formula that allocates revenues inversely  
8 proportional to the distance between the nearest point on  
9 the coastline of the State and the geographic center of  
10 the leased tract.

11 (c) ALLOCATION OF FUNDS.—35 per cent of the allo-  
12 cable share of each State receiving funds under subsection  
13 (b) shall be allocated among and paid directly to the coast-  
14 al political subdivisions in that State by the Secretary of  
15 the Treasury based upon the following formula:

16 (1) 50 per cent shall be allocated based on a  
17 formula that allocates the funds based on the rel-  
18 ative distance of the coastal political subdivision for  
19 any leased tract used to calculate the allocation to  
20 that State.

21 (2) 25 per cent shall be allocated based on the  
22 ratio that—

23 (A) the length, in miles, of the coastline of  
24 each coastal political subdivision; bears to

1 (B) the length, in miles, of the coastline of  
2 all coastal political subdivisions of the State.

3 (3) 25 percent shall be allocated based on the  
4 proportion that—

5 (A) the coastal population of the coastal  
6 political subdivision; bears to

7 (B) the coastal population of all coastal po-  
8 litical subdivisions of the State.

9 (d) USE OF FUNDS.—A coastal State, and a coastal  
10 political subdivision, shall use any amount paid under this  
11 section (including any amounts deposited into a trust fund  
12 administered by the State or coastal political subdivision  
13 consistent with this subsection), only for 1 or more of the  
14 following purposes:

15 (1) For the conservation, protection, or restora-  
16 tion of coastal areas including wetlands.

17 (2) To mitigate damage to natural resources  
18 and for the protection of fish and wildlife in the  
19 coastal zone.

20 (3) To mitigate the impact of outer Continental  
21 Shelf activity by providing onshore infrastructure or  
22 public service.

23 (4) Hurricane protection.

24 (5) Storm damage mitigation and flood control.

25 (6) Marine and coastal subsidence.

1           (7) Coastal and riverine erosion.

2           (8) Coastal and wetlands conservation and  
3 management.

4           (9) Protection of resources from natural disas-  
5 ters.

6           (10) Research, development, testing, and eval-  
7 uation of coastal restoration (including ecosystems)  
8 techniques and technology.

9           (11) Securing critical outer Continental Shelf  
10 energy infrastructure.

11       (e) USE FOR CERTAIN PAYMENTS.—Subject to sub-  
12 section (d), a coastal State or coastal political subdivision  
13 may use funds provided to that State or coastal political  
14 subdivision under this section for any payment that is eli-  
15 gible to be made with funds provided to States under sec-  
16 tion 35 of the Mineral Leasing Act (30 U.S.C. 191).

17       **CHAPTER 2—OFFSHORE FAIRNESS ACT**  
18   **OF 2005**

19       **SEC. 611. SHORT TITLE.**

20           This chapter may be cited as the “Offshore Fairness  
21 Act of 2005”.

22       **SEC. 612. PURPOSES.**

23           The purposes of this chapter are—

24           (1) to provide equity to Louisiana with respect  
25           to the seaward boundaries of the States in the Gulf

1 of Mexico by extending the seaward boundaries from  
2 3 geographical miles to 3 marine leagues if the State  
3 meets certain conditions not later than 5 years after  
4 the date of enactment of this Act;

5 (2) to convey to Louisiana the interest of the  
6 United States in the submerged land of the outer  
7 Continental Shelf that is located in the extended sea-  
8 ward boundaries of the States;

9 (3) to provide that any mineral leases, ease-  
10 ments, rights-of-use, and rights-of-way issued by the  
11 Secretary of the Interior with respect to the sub-  
12 merged land to be conveyed shall remain in full force  
13 and effect; and

14 (4) in conveying the submerged land, to ensure  
15 that the rights of lessees, operators, and holders of  
16 easements, rights-of-use, and rights-of-way on the  
17 submerged land are protected.

18 **SEC. 613. SEAWARD BOUNDARY EXTENSION.**

19 (a) IN GENERAL.—Title II of the Submerged Lands  
20 Act (43 U.S.C. 1311 et seq.) is amended—

21 (1) by redesignating section 11 as section 12;

22 and

23 (2) by inserting after section 10 the following:

1 **“SEC. 11. EXTENSION OF SEAWARD BOUNDARIES OF THE**  
2 **STATE OF LOUISIANA.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) EXISTING INTEREST.—The term ‘existing  
5 interest’ means any lease, easement, right-of-use, or  
6 right-of-way on, or for any natural resource or min-  
7 erals underlying, the expanded submerged land that  
8 is in existence on the date of the conveyance of the  
9 expanded submerged land to the State under sub-  
10 section (b)(1).

11 “(2) EXPANDED SEAWARD BOUNDARY.—The  
12 term ‘expanded seaward boundary’ means the sea-  
13 ward boundary of the State that is 3 marine leagues  
14 seaward of the coast line of the State as of the day  
15 before the date of enactment of this section.

16 “(3) EXPANDED SUBMERGED LAND.—The term  
17 ‘expanded submerged land’ means the area of the  
18 outer Continental Shelf that is located between 3  
19 geographical miles and 3 marine leagues seaward of  
20 the coast line of the State as of the day before the  
21 date of enactment of this section.

22 “(4) INTEREST OWNER.—The term ‘interest  
23 owner’ means any person that owns or holds an ex-  
24 isting interest in the expanded submerged land or  
25 portion of an existing interest in the expanded sub-  
26 merged land.

1           “(5) SECRETARY.—The term ‘Secretary’ means  
2 the Secretary of the Interior.

3           “(6) STATE.—The term ‘State’ means State of  
4 Louisiana.

5           “(b) CONVEYANCE OF EXPANDED SUBMERGED  
6 LAND.—

7           “(1) IN GENERAL.—If a State demonstrates to  
8 the satisfaction of the Secretary that the conditions  
9 described in paragraph (2) will be met, the Secretary  
10 shall, subject to valid existing rights and subsection  
11 (c), convey to the State the interest of the United  
12 States in the expanded submerged land of the State.

13           “(2) CONDITIONS.—A conveyance under para-  
14 graph (1) shall be subject to the condition that—

15           “(A) on conveyance of the interest of the  
16 United States in the expanded submerged land  
17 to the State under paragraph (1)—

18           “(i) the Governor of the State (or a  
19 delegate of the Governor) shall exercise the  
20 powers and duties of the Secretary under  
21 the terms of any existing interest, subject  
22 to the requirement that the State and the  
23 officers of the State may not exercise the  
24 powers to impose any burden or require-  
25 ment on any interest owner that is more



1 onerous or strict than the burdens or re-  
2 quirements imposed under applicable Fed-  
3 eral law (including regulations) on owners  
4 or holders of the same type of lease, ease-  
5 ment, right-of-use, or right-of-way on the  
6 outer Continental Shelf seaward of the ex-  
7 panded submerged land; and

8 “(ii) the State shall not impose any  
9 administrative or judicial penalty or sanc-  
10 tion on any interest owner that is more se-  
11 vere than the penalty or sanction under  
12 Federal law (including regulations) appli-  
13 cable to owners or holders of leases, ease-  
14 ments, rights-of-use, or rights-of-way on  
15 the outer Continental Shelf seaward of the  
16 expanded submerged lands for the same  
17 act, omission, or violation;

18 “(B) not later than 5 years after the date  
19 of enactment of this section—

20 “(i) the State shall enact laws or pro-  
21 mulgate regulations with respect to the en-  
22 vironmental protection, safety, and oper-  
23 ations of any platform pipeline in existence  
24 on the date of conveyance to the State  
25 under paragraph (1) that is affixed to or

1           above the expanded submerged land that  
2           impose the same requirements as Federal  
3           law (including regulations) applicable to a  
4           platform pipeline on the outer Continental  
5           Shelf seaward of the expanded submerged  
6           land; and

7                   “(ii) the State shall enact laws or pro-  
8                   mulgate regulations for determining the  
9                   value of oil, gas, or other mineral produc-  
10                  tion from existing interests for royalty pur-  
11                  poses that establish the same requirements  
12                  as the requirements under Federal law (in-  
13                  cluding regulations) applicable to Federal  
14                  leases for the same minerals on the outer  
15                  Continental Shelf seaward of the expanded  
16                  submerged land; and

17                   “(C) the State laws and regulations en-  
18                  acted or promulgated under subparagraph (B)  
19                  shall provide that if Federal law (including reg-  
20                  ulations) applicable to leases, easements, rights-  
21                  of-use, or rights-of-way on the outer Conti-  
22                  nental Shelf seaward of the expanded sub-  
23                  merged land are modified after the date on  
24                  which the State laws and regulations are en-  
25                  acted or promulgated, the State laws and regu-

1           lations applicable to existing interests will be  
2           modified to reflect the change in Federal laws  
3           (including regulations).

4           “(c) EXCEPTIONS.—

5           “(1) MINERAL LEASE OR UNIT DIVIDED.—

6           “(A) IN GENERAL.—If any existing Fed-  
7           eral oil and gas or other mineral lease or unit  
8           would be divided by the expanded seaward  
9           boundary of a State, the interest of the United  
10          States in the leased minerals underlying the  
11          portion of the lease or unit that lies within the  
12          expanded submerged boundary shall not be con-  
13          sidered to be conveyed to the State until the  
14          date on which the lease or unit expires or is re-  
15          linquished by the United States.

16          “(B) APPLICABILITY FOR OTHER PUR-  
17          POSES.—Notwithstanding subparagraph (A),  
18          the expanded seaward boundary of a State shall  
19          be the seaward boundary of the State for all  
20          other purposes, including the distribution of  
21          revenues under section 8(g)(2) of the Outer  
22          Continental Shelf Lands Act (43 U.S.C.  
23          1337(g)(2)).

24          “(2) LAWS AND REGULATIONS NOT SUFFI-  
25          ICIENT.—If the Secretary determines that any law or

1 regulation enacted or promulgated by a State under  
2 subparagraph (B) of subsection (b)(2) does not meet  
3 the requirements of that subparagraph, the Sec-  
4 retary shall not convey the expanded submerged land  
5 to the State.

6 “(d) INTEREST ISSUED OR GRANTED BY THE  
7 STATE.—This section does not apply to any interest in  
8 the expanded submerged land that a State issues or grants  
9 after the date of conveyance of the expanded submerged  
10 land to the State under subsection (b)(1).

11 “(e) LIABILITY.—

12 “(1) IN GENERAL.—By accepting conveyance of  
13 the expanded submerged land, the State agrees to  
14 indemnify the United States for any liability to any  
15 interest owner for the taking of any property inter-  
16 est or breach of contract from—

17 “(A) the conveyance of the expanded sub-  
18 merged land to the State; or

19 “(B) the State’s administration of any ex-  
20 isting interest under subsection (b)(2)(A)(i).

21 “(2) DEDUCTION FROM OIL AND GAS LEASING  
22 REVENUES.—The Secretary may deduct from the  
23 amounts otherwise payable to the State under sec-  
24 tion 8(g)(2) of the Outer Continental Shelf Lands  
25 Act (43 U.S.C. 1337(g)(2)) the amount of any final

1 nonappealable judgment for a taking or breach of  
2 contract described in paragraph (1).”.

3 (b) CONFORMING AMENDMENT.—Section 2(b) of the  
4 Submerged Lands Act (43 U.S.C. 1301(b)) is amended  
5 by striking “section 4 hereof” and inserting “ 4 or 11”.

6 **Subtitle B—Environmental Protec-**  
7 **tion and Wetlands Restoration**

8 **CHAPTER 1—LOUISIANA RESTORATION**

9 **STAMP**

10 **SEC. 621. SHORT TITLE.**

11 This chapter may be cited as the “Louisiana Restora-  
12 tion Stamp Act of 2005”.

13 **SEC. 622. RESTORATION PROGRAM.**

14 (a) ESTABLISHMENT OF FUND.—As soon as prac-  
15 ticable after the date of enactment of this Act, the Sec-  
16 retary of the Treasury shall establish a fund, to be known  
17 as the “Louisiana Restoration Stamp Fund”, for use in  
18 accordance with this section.

19 (b) LOUISIANA RESTORATION STAMP.—

20 (1) DESIGN AND PRODUCTION.—As soon as  
21 practicable after the date of enactment of this Act,  
22 the Postmaster General, in coordination with the  
23 Secretary of the Interior (referred to in this section  
24 as the “Secretary”) shall design and produce a

1 stamp, to be known as the “Louisiana Restoration  
2 Stamp”.

3 (2) DISTRIBUTION.—The Postmaster General  
4 shall offer for sale the Louisiana Restoration Stamp  
5 at an appropriate price, as determined by the Post-  
6 master General, at—

7 (A) each first-class post office and second-  
8 class post office; and

9 (B) any other facility or location, as the  
10 Postmaster General or the Secretary determines  
11 to be appropriate.

12 (3) DEPOSIT OF PROCEEDS.—The Postmaster  
13 General shall deposit the proceeds of any sale under  
14 paragraph (2) into the Louisiana Restoration Stamp  
15 Fund.

16 (c) USE OF FUNDS.—

17 (1) DISTRIBUTION.—Not later than October 1,  
18 2006, and annually thereafter, the Secretary of the  
19 Treasury shall distribute to the Secretary amounts  
20 in the Louisiana Restoration Stamp Fund, for use  
21 in accordance with paragraph (2).

22 (2) RESTORATION ACTIVITIES.—The Secretary  
23 shall use amounts received under paragraph (1) to  
24 carry out restoration activities in the State of Lou-

1 isiana in areas affected by Hurricane Katrina or a  
2 related condition, including—

3 (A) the acquisition of wetland habitat; and

4 (B) coastal restoration activities.

5 **CHAPTER 2—LAKE PONTCHARTRAIN**

6 **BASIN RESTORATION**

7 **SEC. 631. REDESIGNATION AND EXTENSION OF PROGRAM**

8 **AUTHORIZATION.**

9 Title I of the Federal Water Pollution Control Act  
10 is amended—

11 (1) in subsection (f) of the first section 121 (33  
12 U.S.C. 1273(f)), by striking paragraph (1) and in-  
13 serting the following:

14 “(1) IN GENERAL.—There are authorized to be  
15 appropriated to carry out this section, to remain  
16 available until expended—

17 “(A) \$20,000,000 for each of fiscal years  
18 2001 through 2005; and

19 “(B) \$100,000,000 for each of fiscal years  
20 2006 through 2015.”; and

21 (2) by redesignating the second section 121 (33  
22 U.S.C. 1274) as section 122.

**CHAPTER 3—FUNDING****2 SEC. 641. ENVIRONMENTAL PROTECTION AGENCY.**

3 (a) IN GENERAL.—Notwithstanding any other provi-  
4 sion of law, out of any funds in the Treasury not otherwise  
5 appropriated, the Secretary of the Treasury shall transfer  
6 to the Administrator of the Environmental Protection  
7 Agency to repair damage caused by Hurricane Katrina or  
8 a related condition in the State of Louisiana, to remain  
9 available until expended—

10 (1) \$10,000,000 for science and technology, in-  
11 cluding research and development activities, regard-  
12 less of the eligibility of any activity for assistance  
13 under the Robert T. Stafford Disaster Relief and  
14 Emergency Assistance Act (42 U.S.C. 5121 et seq.);

15 (2) \$1,000,000,000 for environmental programs  
16 and infrastructure assistance, including capitaliza-  
17 tion grants for State revolving funds and perform-  
18 ance partnership grants, regardless of the eligibility  
19 of any activity for assistance under the Robert T.  
20 Stafford Disaster Relief and Emergency Assistance  
21 Act (42 U.S.C. 5121 et seq.);

22 (3) \$500,000,000 to make grants to State and  
23 local governments for temporary emergency meas-  
24 ures conducted in response to the release or threat-





1 tor of the Louisiana Department of Environmental Qual-  
2 ity for activities in areas affected by Hurricane Katrina  
3 or a related condition in the State of Louisiana, to remain  
4 available until expended—

5 (1) \$1,000,000,000 for the removal of waste  
6 from construction and demolition activities, vegeta-  
7 tion, debris, vehicles, tires, and boats;

8 (2) \$2,000,000,000 for the removal of haz-  
9 ardous wastes and assessment and disposal of haz-  
10 ardous waste;

11 (3) \$3,000,000,000 for the restoration of waste-  
12 water treatment infrastructure systems;

13 (4) \$1,000,000 for repair, reconstruction, and  
14 improvement of drinking water systems; and

15 (5) \$100,000,000 for assessment and disposal  
16 of underground storage tanks.

17 (b) RECEIPT AND ACCEPTANCE.—The Administrator  
18 shall be entitled to receive, shall accept, and shall use to  
19 carry out this section the funds transferred under sub-  
20 section (a), without further appropriation.

1                   **CHAPTER 4—ENVIRONMENTAL**  
2                   **REGULATIONS**

3   **SEC. 651. NOTICE TO CONGRESS OF PRESIDENTIAL WAIV-**  
4                   **ERS.**

5           (a) DEFINITION OF APPROPRIATE COMMITTEES OF  
6 CONGRESS.—In this section, the term “appropriate com-  
7 mittees of Congress” includes any committee of Congress  
8 the jurisdiction of which is affected by a waiver or modi-  
9 fication provided under section 502.

10          (b) INITIAL NOTICE.—Not later than 14 days after  
11 the date of enactment of this Act, the President shall sub-  
12 mit to the appropriate committees of Congress an initial  
13 notice of any waiver or modification provided under sec-  
14 tion 502 during the period beginning on August 26, 2005,  
15 and ending on the date on which the notice is submitted,  
16 including a justification of the waiver or modification.

17          (c) SUBSEQUENT NOTIFICATIONS.—Not later than  
18 14 days after the date on which the President submits  
19 the initial notice under subsection (b), and every 14 days  
20 thereafter, the President shall submit to the appropriate  
21 committees of Congress a notice of any waiver or modifica-  
22 tion provided by the President under section 502 during  
23 the preceding 14 days, including a justification of the  
24 waiver or modification.

1 **SEC. 652. AUTHORITY TO FACILITATE RECONSTRUCTION.**

2 (a) IN GENERAL.—Notwithstanding any other provi-  
3 sion of law, in any area in which a major disaster relating  
4 to Hurricane Katrina was declared by the President on  
5 August 27, 2005, in accordance with section 401 of the  
6 Robert T. Stafford Disaster Relief and Emergency Assist-  
7 ance Act (42 U.S.C. 5170)—

8 (1) no expiration of the authority of the Admin-  
9 istrator of the Environmental Protection Agency to  
10 conduct any response action or remediation in ac-  
11 cordance with the Comprehensive Environmental Re-  
12 sponse, Compensation, and Liability Act of 1980 (42  
13 U.S.C. 9601 et seq.) shall apply; and

14 (2) section 502 shall apply to—

15 (A) the authority of the Administrator of  
16 the Environmental Protection Agency and the  
17 Secretary of Agriculture, and requirements,  
18 under the Federal Water Pollution Control Act  
19 (33 U.S.C. 1251 et seq.) and the Federal Insec-  
20 ticide, Fungicide, and Rodenticide Act (7  
21 U.S.C. 136 et seq.), respectively, as that au-  
22 thority or those requirements relate to the ap-  
23 plication of pesticides in such an area to control  
24 the mosquito population and reduce the spread  
25 of vector-borne illnesses; and

1           (B) the authority of the Secretary of Agri-  
2           culture and the Secretary of the Interior under  
3           laws administered by each of those Secretaries  
4           relating to timber production in such an area  
5           to—

6                   (i) expedite the process of salvaging  
7                   timber in the area; and

8                   (ii) ensure a secure timber supply for  
9                   the pulp and paper industry.

10       (b) STATEMENTS AND ANALYSES.—Notwithstanding  
11 any other provision of law, no requirement for the comple-  
12 tion of a statement or analysis under any law (including  
13 a regulation) administered by the Council on Environ-  
14 mental Quality shall apply to any project or activity relat-  
15 ing to the recovery, reconstruction, or repair in any area  
16 described in subsection (a) in response to a major disaster  
17 described in that subsection.

18       (c) ZONING REGULATIONS AND PROPERTY  
19 RIGHTS.—Notwithstanding any other provision of law, no  
20 provision of Federal, State, or local law (including a zon-  
21 ing regulation or other regulation) modified or applied  
22 with respect to a major disaster described in subsection  
23 (a) shall negate or otherwise affect the private property  
24 ownership rights of any individual or entity that, on or

1 after August 29, 2005, owns property in an area described  
2 in subsection (a).

### 3 **CHAPTER 5—HISTORIC PRESERVATION**

#### 4 **FUND**

##### 5 **SEC. 661. HISTORIC PRESERVATION FUND.**

6 (a) DEFINITIONS.—In this section:

7 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
8 ty” means any entity in a State affected by the dec-  
9 laration of a major disaster in accordance with sec-  
10 tion 401 of the Robert T. Stafford Disaster Relief  
11 and Emergency Assistance Act (42 U.S.C. 5170).

12 (2) FUND.—The term “Fund” means the His-  
13 toric Preservation Fund.

14 (3) SECRETARY.—The term “Secretary” means  
15 the Secretary of the Interior.

16 (b) CONSERVATION PROJECT GRANTS.—

17 (1) GRANTS.—The Secretary shall provide  
18 grants from amounts in the Fund to eligible entities  
19 in areas affected by Hurricane Katrina or a related  
20 condition, as determined by the Secretary, to carry  
21 out conservation projects.

22 (2) USE OF FUNDS.—An eligible entity that re-  
23 ceives a grant under this subsection shall use funds  
24 for conservation projects relating to—

1 (A) nationally significant intellectual and  
2 cultural artifacts, including collections, docu-  
3 ments, sculpture, and works of art; and

4 (B) nationally significant historic struc-  
5 tures and sites, including historic districts,  
6 buildings, and objects.

7 (3) ADMINISTRATION.—

8 (A) IN GENERAL.—Grants provided under  
9 this subsection shall be administered by the  
10 Secretary, in collaboration with the Louisiana  
11 State Historic Preservation Office and the Na-  
12 tional Center of Preservation Technology and  
13 Training at Natchitoches, Louisiana.

14 (B) FEDERAL SHARE.—The Federal share  
15 of the cost of a project under this subsection  
16 shall be not less than 75 percent.

17 (C) NON-FEDERAL SHARE.—The non-Fed-  
18 eral share of the cost of a project under this  
19 subsection—

20 (i) shall be not more than 25 percent;

21 and

22 (ii) may be provided in cash or in  
23 kind.

24 (D) LIMITATIONS.—

1 (i) PERIOD OF AVAILABILITY.—A  
2 grant under this subsection shall remain  
3 available for not longer than 3 years after  
4 the date on which the grant is provided.

5 (ii) OTHER LIMITATIONS.—The Sec-  
6 retary may establish such other limitations  
7 with respect to a grant under this sub-  
8 section as the Secretary determines to be  
9 appropriate.

10 (4) APPROPRIATIONS.—

11 (A) IN GENERAL.—Notwithstanding any  
12 other provision of law, out of any funds in the  
13 Treasury not otherwise appropriated, the Sec-  
14 retary of the Treasury shall transfer to the Sec-  
15 retary to carry out this subsection  
16 \$150,000,000, to remain available until ex-  
17 pended.

18 (B) RECEIPT AND ACCEPTANCE.—The  
19 Secretary shall be entitled to receive, shall ac-  
20 cept, and shall use to carry out this section the  
21 funds transferred under subparagraph (A),  
22 without further appropriation.

23 (c) PRESERVATION PROJECTS.—

24 (1) IN GENERAL.—The Secretary shall provide  
25 grants from amounts in the Fund to eligible entities



1 in areas affected by Hurricane Katrina or a related  
2 condition, as determined by the Secretary, to carry  
3 out preservation projects.

4 (2) USE OF FUNDS.—An eligible entity that re-  
5 ceives a grant under this subsection shall use funds  
6 for preservation projects—

7 (A) relating to the mitigation, stabilization,  
8 rehabilitation, and restoration of—

9 (i) national historic landmarks af-  
10 fected by Hurricane Katrina or a related  
11 condition, as determined by the Secretary;  
12 and

13 (ii) other nationally significant cul-  
14 tural properties affected by Hurricane  
15 Katrina or a related condition, as deter-  
16 mined by the Secretary; or

17 (B) to provide conservation treatment to  
18 nationally significant collections.

19 (3) ADMINISTRATION.—

20 (A) IN GENERAL.—Grants provided under  
21 this subsection shall be administered by the  
22 Secretary, acting through the Director of the  
23 National Center for Preservation Technology  
24 and Training of the National Park Service, in  
25 accordance with the Standards for the Treat-

1           ment of Historic Properties of the Department  
2           of the Interior.

3           (B) FEDERAL SHARE.—The Federal share  
4           of the cost of a project under this subsection  
5           shall be 100 percent.

6           (4) APPROPRIATIONS.—

7           (A) IN GENERAL.—Notwithstanding any  
8           other provision of law, out of any funds in the  
9           Treasury not otherwise appropriated, the Sec-  
10          retary of the Treasury shall transfer to the Sec-  
11          retary to carry out this subsection \$30,000,000,  
12          to remain available until expended.

13          (B) RECEIPT AND ACCEPTANCE.—The  
14          Secretary shall be entitled to receive, shall ac-  
15          cept, and shall use to carry out this section the  
16          funds transferred under subparagraph (A),  
17          without further appropriation.

18          (d) TECHNICAL ASSISTANCE AND TRAINING.—

19          (1) IN GENERAL.—The Secretary, acting  
20          through the Director of the National Park Service,  
21          shall establish a program to provide training and  
22          technical assistance to entities in the States of Ala-  
23          bama, Louisiana, and Mississippi to rehabilitate and  
24          restore areas affected by Hurricane Katrina or re-

1       lated conditions, regardless of the eligibility of an  
2       entity to receive a grant under this section.

3           (2) ADMINISTRATION.—

4           (A) IN GENERAL.—The program under  
5       this subsection shall be administered by the  
6       Secretary, acting through the Director of the  
7       National Park Service, in coordination with the  
8       Director of the National Center for Preserva-  
9       tion Technology and Training of the National  
10      Park Service.

11          (B) PROVISION OF INFORMATION.—The  
12      Secretary shall provide any information pro-  
13      vided to eligible entities under this subsection  
14      to—

15           (i) the Technical Preservation Services  
16           of the National Park Service;

17           (ii) State historic preservation offices;

18           (iii) certified local governments;

19           (iv) federally recognized Indian tribes;

20           and

21           (v) affected local preservation organi-  
22           zations.

23          (3) APPROPRIATIONS.—

24          (A) IN GENERAL.—Notwithstanding any  
25      other provision of law, out of any funds in the

1 Treasury not otherwise appropriated, the Sec-  
2 retary of the Treasury shall transfer to the Sec-  
3 retary to carry out this subsection \$8,000,000,  
4 to remain available until expended, of which—

5 (i) not less than \$2,000,000 shall be  
6 made available to the Technical Preserva-  
7 tion Services of the National Park Service;

8 (ii) not less than \$2,000,000 shall be  
9 made available to the National Park Serv-  
10 ice Federal Preservation Institute;

11 (iii) not less than \$1,000,000 shall be  
12 made available to the National Cemetery  
13 Preservation Initiative; and

14 (iv) not less than \$3,000,000 shall be  
15 made available to the National Center for  
16 Preservation Technology and Training of  
17 the National Park Service.

18 (B) RECEIPT AND ACCEPTANCE.—The  
19 Secretary shall be entitled to receive, shall ac-  
20 cept, and shall use to carry out this section the  
21 funds transferred under subparagraph (A),  
22 without further appropriation.

23 (e) NATIONAL TRUST FOR HISTORIC PRESERVA-  
24 TION.—

1           (1) IN GENERAL.—The Secretary shall provide  
2 grants to eligible entities from amounts in the Na-  
3 tional Trust for Historic Preservation (referred to in  
4 this subsection as the “Trust”) to carry out preser-  
5 vation planning and technical assistance activities in  
6 areas affected by Hurricane Katrina or a related  
7 condition

8           (2) PRIORITY.—In providing grants under this  
9 subsection, the Secretary shall give priority to eligi-  
10 ble entities located in towns with a population of less  
11 than 50,000.

12           (3) USE OF FUNDS.—An eligible entity shall  
13 use a grant received under this subsection to provide  
14 preservation services to communities in the region of  
15 the eligible entity.

16           (4) APPROPRIATIONS.—

17           (A) IN GENERAL.—Notwithstanding any  
18 other provision of law, out of any funds in the  
19 Treasury not otherwise appropriated, the Sec-  
20 retary of the Treasury shall transfer to the Sec-  
21 retary to carry out this subsection \$20,000,000,  
22 to remain available until expended.

23           (B) RECEIPT AND ACCEPTANCE.—The  
24 Secretary shall be entitled to receive, shall ac-  
25 cept, and shall use to carry out this section the

1 funds transferred under subparagraph (A),  
2 without further appropriation.

3 (C) DIVISION OF AMOUNTS.—Amounts ap-  
4 propriated under subparagraph (A) may be di-  
5 vided between the Preservation Services Fund,  
6 the National Preservation Loan Fund, and the  
7 National Main Street Center of the Trust to  
8 provide consulting services to communities, as  
9 the Director of the Trust determines to be ap-  
10 propriate.

11 (f) ADMINISTRATION.—

12 (1) IN GENERAL.—A project funded under this  
13 section shall be exempt from any requirement under  
14 Federal law relating to—

15 (A) full-time employment; or

16 (B) limitations on travel expenses.

17 (2) ADMINISTRATIVE COSTS.—An entity that  
18 receives a grant under this section shall use not  
19 more than 5 percent of the amount provided to pay  
20 administrative costs.

21 (3) EXPEDITED CONTRACTS.—The Secretary  
22 shall expedite the execution of any contract relating  
23 to a project under this section, to the maximum ex-  
24 tent practicable.

**1 CHAPTER 6—MITIGATION MEASURES****2 SEC. 671. MITIGATION MEASURES.**

3 (a) APPROPRIATIONS.—Notwithstanding section 404  
4 of the Robert T. Stafford Disaster Relief and Emergency  
5 Assistance Act (42 U.S.C. 5170c), or any other provision  
6 of law, the President shall make available to the Governor  
7 of the State of Louisiana an amount equal to 15 percent  
8 of the total amount of grants made to the State of Lou-  
9 isiana through the Federal Emergency Management Agen-  
10 cy in response to Hurricane Katrina.

11 (b) USE OF FUNDS.—The Governor of the State of  
12 Louisiana shall use amounts made available under sub-  
13 section (a) for activities relating to flood prevention.

**14 TITLE VII—JOBS CREATION AND**  
**15 REPOPULATION INCENTIVES****16 SEC. 700. AMENDMENT OF 1986 CODE.**

17 Except as otherwise expressly provided, whenever in  
18 this title an amendment or repeal is expressed in terms  
19 of an amendment to, or repeal of, a section or other provi-  
20 sion, the reference shall be considered to be made to a  
21 section or other provision of the Internal Revenue Code  
22 of 1986.

1     **Subtitle A—Emergency Tax Relief**  
2                     **Measures**

3     **SEC. 700A. HURRICANE KATRINA DISASTER AREA.**

4             For purposes of this subtitle, the term “Hurricane  
5 Katrina disaster area” means an area—

6                     (1) with respect to which a major disaster has  
7             been declared by the President before September 14,  
8             2005, under section 401 of the Robert T. Stafford  
9             Disaster Relief and Emergency Assistance Act in  
10            connection with Hurricane Katrina, and

11                    (2) which—

12                             (A) except as provided in subparagraph  
13                             (B), is determined by the President before such  
14                             date to warrant assistance from the Federal  
15                             Government under such Act, and

16                             (B) in the case of sections 706 and 707,  
17                             is determined by the President before such date  
18                             to warrant individual assistance, or individual  
19                             and public assistance, from the Federal Govern-  
20                             ment under such Act.



1 **CHAPTER I—PENALTY FREE USE OF RE-**  
2 **TIREMENT FUNDS BY NATURAL DIS-**  
3 **ASTER VICTIMS**

4 **SEC. 701. PENALTY FREE WITHDRAWALS FROM RETIRE-**  
5 **MENT PLANS FOR VICTIMS OF FEDERALLY**  
6 **DECLARED NATURAL DISASTERS.**

7 (a) IN GENERAL.—Paragraph (2) of section 72(t)  
8 (relating to 10-percent additional tax on early distribu-  
9 tions from qualified retirement plans) is amended by add-  
10 ing at the end the following new subparagraph:

11 “(G) DISTRIBUTIONS FROM RETIREMENT  
12 PLANS TO VICTIMS OF FEDERALLY DECLARED  
13 NATURAL DISASTERS.—

14 “(i) DISTRIBUTION ALLOWED.—Any  
15 qualified disaster-relief distribution.

16 “(ii) AMOUNT DISTRIBUTED MAY BE  
17 REPAID.—

18 “(I) IN GENERAL.—Any indi-  
19 vidual who receives a qualified dis-  
20 aster-relief distribution may, at any  
21 time during the 3-year period begin-  
22 ning on the day after the date on  
23 which such distribution was made,  
24 make one or more contributions in an  
25 aggregate amount not to exceed the

1 amount of such distribution to an eli-  
2 gible retirement plan (as defined in  
3 section 402(c)(8)(B)) of which such  
4 individual is a beneficiary and to  
5 which a rollover contribution of such  
6 distribution could be made under sec-  
7 tion 402(c), 403(a)(4), 403(b)(8),  
8 408(d)(3), or 457(e)(16), as the case  
9 may be.

10 “(II) TREATMENT OF REPAY-  
11 MENTS FOR DISTRIBUTIONS FROM EL-  
12 IGIBLE RETIREMENT PLANS OTHER  
13 THAN IRAS.—For purposes of this  
14 title, if a contribution is made pursu-  
15 ant to subclause (I) with respect to a  
16 qualified disaster-relief distribution  
17 from an eligible retirement plan (as so  
18 defined) other than an individual re-  
19 tirement plan, then the taxpayer shall,  
20 to the extent of the amount of the  
21 contribution, be treated as having re-  
22 ceived the qualified disaster-relief dis-  
23 tribution in an eligible rollover dis-  
24 tribution (as defined in section  
25 402(c)(4)) and as having transferred

1 the amount to the eligible retirement  
2 plan in a direct trustee to trustee  
3 transfer within 60 days of the dis-  
4 tribution.

5 “(III) TREATMENT OF REPAY-  
6 MENTS FOR DISTRIBUTIONS FROM  
7 IRAS.—For purposes of this title, if a  
8 contribution is made pursuant to sub-  
9 clause (I) with respect to a qualified  
10 disaster-relief distribution from an in-  
11 dividual retirement plan, then, to the  
12 extent of the amount of the contribu-  
13 tion, the qualified disaster-relief dis-  
14 tribution shall be treated as a dis-  
15 tribution described in section  
16 408(d)(3) and as having been trans-  
17 ferred to the eligible retirement plan  
18 in a direct trustee to trustee transfer  
19 within 60 days of the distribution.

20 “(IV) APPLICATION TO GOVERN-  
21 MENTAL SECTION 457 PLANS.—In de-  
22 termining whether any distribution is  
23 a qualified disaster-relief distribution  
24 for purposes of this clause, an eligible  
25 deferred compensation plan (as de-

1           fined in section 457(b)) maintained by  
2           an employer described in section  
3           457(e)(1)(A) shall be treated as a  
4           qualified retirement plan.

5           “(iii) QUALIFIED DISASTER-RELIEF  
6           DISTRIBUTION.—Except as provided in  
7           clause (iv), for purposes of this subpara-  
8           graph, the term ‘qualified disaster-relief  
9           distribution’ means any distribution—

10                   “(I) to an individual who has  
11                   sustained a loss as a result of a major  
12                   disaster declared under section 401 of  
13                   the Robert T. Stafford Disaster Relief  
14                   and Emergency Assistance Act and  
15                   who has a principal place of abode im-  
16                   mediately before the declaration in a  
17                   qualified disaster area, and

18                   “(II) which is made during the 1-  
19                   year period beginning on the date  
20                   such declaration is made.

21           “(iv) DOLLAR LIMITATION.—

22                   “(I) IN GENERAL.—The term  
23                   ‘qualified disaster-relief distribution’  
24                   shall not include any distributions for  
25                   any taxable year to the extent the ag-

1            aggregate amount of such distributions  
2            exceeds \$100,000, reduced by the ag-  
3            gregate amounts treated as qualified  
4            disaster-relief distributions with re-  
5            spect to such individual for all prior  
6            taxable years.

7            “(II) TREATMENT OF PLAN DIS-  
8            TRIBUTIONS.—If a distribution to an  
9            individual with respect to any such  
10           major disaster would (without regard  
11           to subclause (I)) be a qualified dis-  
12           aster-relief distribution, a plan shall  
13           not be treated as violating any re-  
14           quirement of this title merely because  
15           it treats such distribution as a quali-  
16           fied disaster-relief distribution, unless  
17           the aggregate amount of such dis-  
18           tributions from all plans maintained  
19           by the employer (and any member of  
20           any controlled group which includes  
21           the employer) to such individual ex-  
22           ceeds \$100,000.

23           “(v) QUALIFIED DISASTER AREA.—

24           For purposes of this subparagraph, the

1 term ‘qualified disaster area’ means an  
2 area—

3 “(I) with respect to which a  
4 major disaster has been declared by  
5 the President before September 14,  
6 2005, under section 401 of the Robert  
7 T. Stafford Disaster Relief and Emer-  
8 gency Assistance Act in connection  
9 with Hurricane Katrina, and

10 “(II) which is determined by the  
11 President before such date to warrant  
12 assistance from the Federal Govern-  
13 ment under such Act.”.

14 (b) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE  
15 TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—  
16 Paragraph (4) of section 402(c) (relating to eligible roll-  
17 over distribution) is amended by striking “and” at the end  
18 of subparagraph (B), by striking the period at the end  
19 of subparagraph (C) and inserting “, and”, and by insert-  
20 ing at the end the following new subparagraph:

21 “(D) any qualified disaster-relief distribu-  
22 tion (within the meaning of section  
23 72(t)(2)(G)).”.

24 (c) CONFORMING AMENDMENTS.—

1           (1) Section 401(k)(2)(B)(i) is amended by  
2 striking “or” at the end of subclause (III), by strik-  
3 ing “and” at the end of subclause (IV) and inserting  
4 “or”, and by inserting after subclause (IV) the fol-  
5 lowing new subclause:

6                           “(V) the date on which a period  
7 referred to in section  
8 72(t)(2)(G)(iii)(II) begins (but only to  
9 the extent provided in section  
10 72(t)(2)(G)), and”.

11           (2) Section 403(b)(7)(A)(ii) is amended by in-  
12 serting “sustains a loss as a result of a major dis-  
13 aster declared under section 401 of the Robert T.  
14 Stafford Disaster Relief and Emergency Assistance  
15 Act by reason of Hurricane Katrina (but only to the  
16 extent provided in section 72(t)(2)(G)),” before  
17 “or”.

18           (3) Section 403(b)(11) is amended by striking  
19 “or” at the end of subparagraph (A), by striking the  
20 period at the end of subparagraph (B) and inserting  
21 “, or”, and by inserting after subparagraph (B) the  
22 following new subparagraph:

23                           “(C) for distributions to which section  
24 72(t)(2)(G) applies.”.

1           (4) Section 457(d)(1)(A) is amended by strik-  
2           ing “or” at the end of clause (ii), by adding “or”  
3           at the end of clause (iii), and by adding at the end  
4           the following new clause:

5                       “(iv) in the case of an eligible de-  
6                       ferred compensation plan established and  
7                       maintained by an employer described in  
8                       subsection (e)(1)(A), when the participant  
9                       sustains a loss as a result of a major dis-  
10                      aster declared under section 401 of the  
11                      Robert T. Stafford Disaster Relief and  
12                      Emergency Assistance Act by reason of  
13                      Hurricane Katrina (but only to the extent  
14                      provided in section 72(t)(2)(G)),”.

15           (d) EFFECTIVE DATE.—The amendments made by  
16           this section shall apply to distributions received after Au-  
17           gust 28, 2005.

18           **SEC. 702. INCOME AVERAGING FOR DISASTER-RELIEF DIS-**  
19                       **TRIBUTIONS RELATED TO HURRICANE**  
20                       **KATRINA.**

21           (a) IN GENERAL.—In the case of any qualified dis-  
22           aster-relief distribution (within the meaning of section  
23           72(t)(2)(G) of the Internal Revenue Code of 1986) from  
24           a qualified retirement plan (as defined in section 4974(c)  
25           of such Code) to a qualified individual, unless the taxpayer



1 elects not to have this section apply for any taxable year,  
2 any amount required to be included in gross income for  
3 such taxable year shall be so included ratably over the 3-  
4 taxable year period beginning with such taxable year.

5 (b) SPECIAL RULES.—

6 (1) APPLICATION TO GOVERNMENTAL SECTION  
7 457 PLANS.—In determining whether any distribu-  
8 tion is a qualified disaster-relief distribution (as so  
9 defined) for purposes of this section, an eligible de-  
10 ferred compensation plan (as defined in section  
11 457(b) of such Code) maintained by an employer de-  
12 scribed in section 457(e)(1)(A) of such Code shall be  
13 treated as a qualified retirement plan (as so defined)

14 (2) CERTAIN RULES TO APPLY.—Rules similar  
15 to the rules of subparagraph (E) of section  
16 408A(d)(3) of such Code shall apply for purposes of  
17 this section.

18 (c) QUALIFIED INDIVIDUAL.—For purposes of this  
19 section, the term “qualified individual” means an indi-  
20 vidual who has sustained a loss as a result of the major  
21 disaster declared under section 401 of the Robert T. Staf-  
22 ford Disaster Relief and Emergency Assistance Act (42  
23 U.S.C. 5170) in connection with Hurricane Katrina and  
24 who has a principal place of abode immediately before the  
25 declaration in a Hurricane Katrina disaster area.

1 **SEC. 703. RECONTRIBUTIONS OF WITHDRAWALS FOR HOME**  
2 **PURCHASES CANCELLED DUE TO HURRI-**  
3 **CANE KATRINA.**

4 (a) RECONTRIBUTIONS.—

5 (1) IN GENERAL.—Any individual who received  
6 a qualified distribution may, at any time during the  
7 6-month period beginning on the day after the dis-  
8 aster declaration date, make one or more contribu-  
9 tions in an aggregate amount not to exceed the  
10 amount of such qualified distribution to an eligible  
11 retirement plan (as defined in section 402(c)(8)(B)  
12 of the Internal Revenue Code of 1986) of which such  
13 individual is a beneficiary and to which a rollover  
14 contribution of such distribution could be made  
15 under section 402(c), 403(a)(4), 403(b)(8), or  
16 408(d)(3) of such Code, as the case may be.

17 (2) TREATMENT OF REPAYMENTS.—

18 (A) TREATMENT OF REPAYMENTS FOR  
19 DISTRIBUTIONS FROM ELIGIBLE RETIREMENT  
20 PLANS OTHER THAN IRAS.—For purposes of  
21 the Internal Revenue Code of 1986, if a con-  
22 tribution is made pursuant to paragraph (1)  
23 with respect to a qualified distribution from an  
24 eligible retirement plan (as so defined) other  
25 than an individual retirement plan (as defined  
26 in section 7701(a)(37) of such Code), then the

1 taxpayer shall, to the extent of the amount of  
2 the contribution, be treated as having received  
3 the qualified distribution in an eligible rollover  
4 distribution (as defined in section 402(c)(4) of  
5 such Code) and as having transferred the  
6 amount to the eligible retirement plan in a di-  
7 rect trustee to trustee transfer within 60 days  
8 of the distribution.

9 (B) TREATMENT OF REPAYMENTS FOR  
10 DISTRIBUTIONS FROM IRAS.—For purposes of  
11 the Internal Revenue Code of 1986, if a con-  
12 tribution is made pursuant to paragraph (1)  
13 with respect to a qualified distribution from an  
14 individual retirement plan (as so defined), then,  
15 to the extent of the amount of the contribution,  
16 the qualified distribution shall be treated as a  
17 distribution described in section 408(d)(3) of  
18 such Code and as having been transferred to  
19 the eligible retirement plan (as so defined) in a  
20 direct trustee to trustee transfer within 60 days  
21 of the distribution.

22 (b) DEFINITIONS.—For purposes of this section—

23 (1) QUALIFIED DISTRIBUTION.—The term  
24 “qualified distribution” means any distribution—

1 (A) described in section  
2 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only  
3 to the extent such distribution relates to finan-  
4 cial hardship), 403(b)(11)(B), or 72(t)(2)(F) of  
5 the Internal Revenue Code of 1986,

6 (B) received after February 28, 2005, and  
7 before August 29, 2005, and

8 (C) which was to be used to purchase or  
9 construct a principal residence in a Hurricane  
10 Katrina disaster area, but which was not so  
11 purchased or constructed.

12 (2) DISASTER DECLARATION DATE.—The term  
13 “disaster declaration date” means the date on which  
14 the President designated the area as a Hurricane  
15 Katrina disaster area.

16 **SEC. 704. LOANS FROM QUALIFIED PLANS TO VICTIMS OF**  
17 **HURRICANE KATRINA.**

18 (a) INCREASE IN LIMIT ON LOANS NOT TREATED AS  
19 DISTRIBUTIONS.—In the case of any loan from a qualified  
20 employer plan (as defined under section 72(p)(4) of the  
21 Internal Revenue Code of 1986) to a qualified individual  
22 (as defined in section 102(e)) made after the date of en-  
23 actment of this Act and before the date which is 1 year  
24 after the disaster declaration date (as defined in section  
25 103(b)(2))—

1           (1) clause (i) of section 72(p)(2)(A) of such  
2 Code shall be applied by substituting “\$100,000”  
3 for “\$50,000”, and

4           (2) clause (ii) of such section shall be applied  
5 by substituting “the present value of the nonforfeit-  
6 able accrued benefit of the employee under the plan”  
7 for “one-half of the present value of the nonforfeit-  
8 able accrued benefit of the employee under the  
9 plan”.

10       (b) DELAY OF REPAYMENT.—In the case of a quali-  
11 fied individual (as defined in section 102(c)) with an out-  
12 standing loan on or after August 26, 2005, from a quali-  
13 fied employer plan (as defined in section 72(p)(4) of the  
14 Internal Revenue Code of 1986)—

15           (1) if the due date pursuant to subparagraph  
16 (B) or (C) of section 72(p)(2) of such Code for any  
17 repayment with respect to such loan occurs during  
18 the period beginning after August 29, 2005, and  
19 ending before August 30, 2006, such due date shall  
20 be delayed for 1 year,

21           (2) any subsequent repayments with respect to  
22 any such loan shall be appropriately adjusted to re-  
23 flect the delay in the due date under paragraph (1)  
24 and any interest accruing during such delay, and

1           (3) in determining the 5-year period and the  
2           term of a loan under subparagraph (B) or (C) of  
3           section 72(p)(2) of such Code, such period shall be  
4           disregarded.

5 **SEC. 705. PROVISIONS RELATING TO PLAN AMENDMENTS.**

6           (a) IN GENERAL.—If this section applies to any plan  
7           or contract amendment such plan or contract shall be  
8           treated as being operated in accordance with the terms  
9           of the plan during the period described in subsection  
10          (b)(2)(A).

11          (b) AMENDMENTS TO WHICH SECTION APPLIES.—

12           (1) IN GENERAL.—This section shall apply to  
13           any amendment to any plan or annuity contract  
14           which is made—

15                   (A) pursuant to any amendment made by  
16                   this title, or pursuant to any regulation issued  
17                   by the Secretary of the Treasury or the Sec-  
18                   retary of Labor under this title, and

19                   (B) on or before the last day of the first  
20                   plan year beginning on or after January 1,  
21                   2007, or such later date as the Secretary of the  
22                   Treasury may prescribe.

23           In the case of a governmental plan (as defined in  
24           section 414(d) of the Internal Revenue Code of  
25           1986), subparagraph (B) shall be applied by sub-

1       stituting the date which is 2 years after the date  
2       otherwise applied under subparagraph (B).

3               (2) CONDITIONS.—This section shall not apply  
4       to any amendment unless—

5               (A) during the period—

6                       (i) beginning on the date the legisla-  
7                       tive or regulatory amendment described in  
8                       paragraph (1)(A) takes effect (or in the  
9                       case of a plan or contract amendment not  
10                      required by such legislative or regulatory  
11                      amendment, the effective date specified by  
12                      the plan), and

13                     (ii) ending on the date described in  
14                     paragraph (1)(B) (or, if earlier, the date  
15                     the plan or contract amendment is adopt-  
16                     ed),

17       the plan or contract is operated as if such plan  
18       or contract amendment were in effect; and

19               (B) such plan or contract amendment ap-  
20       plies retroactively for such period.

1           **CHAPTER II—EMPLOYMENT RELIEF**

2   **SEC. 706. WORK OPPORTUNITY TAX CREDIT FOR HURRI-**  
3                   **CANE KATRINA EMPLOYEES.**

4           (a) **IN GENERAL.**—For purposes of section 51 of the  
5 Internal Revenue Code of 1986, a Hurricane Katrina em-  
6 ployee shall be treated as a member of a targeted group.

7           (b) **HURRICANE KATRINA EMPLOYEE.**—For pur-  
8 poses of this section, the term “Hurricane Katrina em-  
9 ployee” means any individual who, on August 28, 2005,  
10 had a principal place of abode in a Hurricane Katrina dis-  
11 aster area.

12          (c) **SPECIAL RULES FOR DETERMINING CREDIT.**—  
13 For purposes of applying subpart F of part IV of sub-  
14 chapter A of chapter 1 of such Code to wages paid or in-  
15 curred to any Hurricane Katrina employee—

16           (1) section 51(c)(4) of such Code shall not  
17 apply, and

18           (2) except in the case of an employee of the em-  
19 ployer (within the meaning of section 51 of such  
20 Code) on August 28, 2005, or an employee initially  
21 hired after such date, section 51(i)(2) of such Code  
22 shall not apply.

23          (d) **APPLICATION OF SECTION.**—This section shall  
24 apply only to wages (within the meaning on section 51(c)  
25 of such Code) paid or incurred to any individual who—



1           (1) is being hired for a position the principal  
2           place of employment of which is located in a Hurri-  
3           cane Katrina disaster area, and

4           (2) who begins work for the employer during  
5           the 2-year period beginning on August 29, 2005.

6 **SEC. 707. EMPLOYEE RETENTION CREDIT FOR EMPLOYERS**

7                           **AFFECTED BY HURRICANE KATRINA.**

8           (a) **IN GENERAL.**—In the case of an eligible em-  
9           ployer, there shall be allowed as a credit against the tax  
10          imposed by chapter 1 of the Internal Revenue Code of  
11          1986 for the taxable year an amount equal to 40 percent  
12          of the qualified wages with respect to each eligible em-  
13          ployee of such employer for such taxable year. For pur-  
14          poses of the preceding sentence, the amount of qualified  
15          wages which may be taken into account with respect to  
16          any individual shall not exceed \$6,000.

17          (b) **DEFINITIONS.**—For purposes of this section—

18                  (1) **ELIGIBLE EMPLOYER.**—The term “eligible  
19          employer” means any employer—

20                          (A) which conducted an active trade or  
21                          business on August 28, 2005, in a Hurricane  
22                          Katrina disaster area, and

23                          (B) with respect to whom the trade or  
24                          business described in subparagraph (A) is inop-  
25                          erable on any day after August 28, 2005, and

1 before January 1, 2006, as a result of damage  
2 sustained in connection with Hurricane  
3 Katrina.

4 (2) ELIGIBLE EMPLOYEE.—The term “eligible  
5 employee” means with respect to an eligible em-  
6 ployer—

7 (A) an employee whose principal place of  
8 employment on August 28, 2005, with such eli-  
9 gible employer was in a Hurricane Katrina dis-  
10 aster area, or

11 (B) a Ready Reserve-National Guard em-  
12 ployee of such eligible employer who is per-  
13 forming qualified active duty and whose prin-  
14 cipal place of employment immediately before  
15 the date on which such employee began per-  
16 forming such qualified active duty was in a  
17 Hurricane Katrina disaster area.

18 (3) QUALIFIED WAGES.—The term “qualified  
19 wages” means wages (as defined in section 51(c)(1)  
20 of the Internal Revenue Code of 1986, but without  
21 regard to section 3306(b)(2)(B) of such Code) paid  
22 or incurred by an eligible employer with respect to  
23 an eligible employee on any day after August 28,  
24 2005, and before January 1, 2006, which occurs  
25 during the period—

1 (A) beginning on the date on which the  
2 trade or business described in paragraph (1)  
3 first became inoperable at the principal place of  
4 employment of the employee immediately before  
5 Hurricane Katrina, and

6 (B) ending on the date on which such  
7 trade or business has resumed significant oper-  
8 ations at such principal place of employment.

9 Such term shall include wages paid without regard  
10 to whether the employee performs no services, per-  
11 forms services at a different place of employment  
12 than such principal place of employment, or per-  
13 forms services at such principal place of employment  
14 before significant operations have resumed.

15 (4) READY RESERVE-NATIONAL GUARD EM-  
16 PLOYEE.—The term “Ready Reserve-National  
17 Guard employee” means an employee who is a mem-  
18 ber of the Ready Reserve of a reserve component of  
19 an Armed Force of the United States as described  
20 in section 10142 and 10101 of title 10, United  
21 States Code and who is performing qualified active  
22 duty.

23 (5) QUALIFIED ACTIVE DUTY.—The term  
24 “qualified active duty” means—

1           (A) active duty, other than the training  
2           duty specified in section 10147 of title 10,  
3           United States Code (relating to training re-  
4           quirements for Ready Reserve), or section  
5           502(a) of title 32, United States Code (relating  
6           to required drills and field exercises for the Na-  
7           tional Guard), in connection with which an em-  
8           ployee is entitled to reemployment rights and  
9           other benefits or to a leave of absence from em-  
10          ployment under chapter 43 of title 38, United  
11          States Code, and

12           (B) hospitalization incident to such duty.

13          (c) CERTAIN RULES TO APPLY.—For purposes of  
14          this section, rules similar to the rules of sections 51(i)(1),  
15          52, and 280C(a) of the Internal Revenue Code of 1986  
16          of the shall apply.

17          (d) CREDIT TO BE PART OF GENERAL BUSINESS  
18          CREDIT.—The credit allowed under this section shall be  
19          added to the current year business credit under section  
20          38(b) of the Internal Revenue Code of 1986 and shall be  
21          treated as a credit allowed under subpart D of part IV  
22          of subchapter A of chapter 1 of such Code.

1           **CHAPTER III—CHARITABLE GIVING**  
2                           **INCENTIVES**

3   **SEC. 711. TEMPORARY SUSPENSION OF LIMITATIONS ON**  
4                           **CHARITABLE CONTRIBUTIONS.**

5           (a) **IN GENERAL.**—Except as otherwise provided in  
6 subsection (b), section 170(b) of the Internal Revenue  
7 Code of 1986 shall not apply to qualified contributions and  
8 such contributions shall not be taken into account for pur-  
9 poses of subsections (b) and (d) of section 170 of the In-  
10 ternal Revenue Code of 1986.

11          (b) **TREATMENT OF EXCESS CONTRIBUTIONS.**—For  
12 purposes of section 170 of such Code—

13               (1) **INDIVIDUALS.**—In the case of an indi-  
14 vidual—

15                       (A) **LIMITATION.**—Any qualified contribu-  
16 tion shall be allowed only to the extent that the  
17 aggregate of such contributions does not exceed  
18 the excess of the taxpayer's contribution base  
19 (as defined in paragraph (1) of section 170(b)  
20 of such Code) over the amount of all other  
21 charitable contributions allowed under such  
22 paragraph.

23                       (B) **CARRYOVER.**—If the aggregate  
24 amount of qualified contributions made in the  
25 contribution year (within the meaning of section

1           170(d)(1) of such Code) exceeds the limitation  
2           of subparagraph (A), such excess shall be added  
3           to the excess described in the portion of sub-  
4           paragraph (A) of such section which precedes  
5           clause (i) thereof for purposes of applying such  
6           section.

7           (2) CORPORATIONS.—In the case of a corpora-  
8           tion—

9                   (A) LIMITATION.—Any qualified contribu-  
10                  tion shall be allowed only to the extent that the  
11                  aggregate of such contributions does not exceed  
12                  the excess of the taxpayer's taxable income (as  
13                  determined under paragraph (2) of section  
14                  170(b) of such Code) over the amount of all  
15                  other charitable contributions allowed under  
16                  such paragraph.

17                  (B) CARRYOVER.—Rules similar to the  
18                  rules of paragraph (1)(B) shall apply for pur-  
19                  poses of this paragraph.

20           (c) EXCEPTION TO OVERALL LIMITATION ON  
21           ITEMIZED DEDUCTIONS.—So much of any deduction al-  
22           lowed under section 170 of such Code as does not exceed  
23           the qualified contributions made during the taxable year  
24           shall not be treated as an itemized deduction for purposes  
25           of section 68 of such Code.

1 (d) QUALIFIED CONTRIBUTIONS.—For purposes of  
2 this section, the term “qualified contribution” means any  
3 charitable contribution (as defined in section 170(c) of  
4 such Code)—

5 (1) made during the period beginning on Au-  
6 gust 28, 2005, and ending on December 31, 2005,  
7 in cash to an organization described in section  
8 170(b)(1)(A) of such Code (other than an organiza-  
9 tion described in section 509(a)(3) of such Code),  
10 and

11 (2) with respect to which the taxpayer has  
12 elected the application of this section.

13 In the case of a partnership or S corporation, the election  
14 under paragraph (2) shall be made separately by each  
15 partner or shareholder. In the case of a corporation, a con-  
16 tribution shall be treated as a qualified contribution only  
17 if the contribution is for relief efforts related to Hurricane  
18 Katrina.

19 **SEC. 712. CHARITABLE DEDUCTION FOR CONTRIBUTIONS**  
20 **OF FOOD INVENTORIES.**

21 (a) IN GENERAL.—Subsection (e) of section 170 (re-  
22 lating to certain contributions of ordinary income and cap-  
23 ital gain property) is amended by adding at the end the  
24 following new paragraph:

1           “(7) APPLICATION OF PARAGRAPH (3) TO CER-  
2           TAIN CONTRIBUTIONS OF FOOD INVENTORY.—For  
3           purposes of this section—

4                   “(A) EXTENSION TO INDIVIDUALS.—In the  
5           case of a charitable contribution of apparently  
6           wholesome food—

7                           “(i) paragraph (3)(A) shall be applied  
8           without regard to whether the contribution  
9           is made by a C corporation, and

10                           “(ii) in the case of a taxpayer other  
11           than a C corporation, the aggregate  
12           amount of such contributions for any tax-  
13           able year which may be taken into account  
14           under this section shall not exceed 10 per-  
15           cent of the taxpayer’s net income for such  
16           taxable year from all trades or businesses  
17           from which such contributions were made  
18           for such taxable year, computed without  
19           regard to this section.

20                   “(B) LIMITATION ON REDUCTION.—In the  
21           case of a charitable contribution of apparently  
22           wholesome food, notwithstanding paragraph  
23           (3)(B), the amount of the reduction determined  
24           under paragraph (1)(A) shall not exceed the  
25           amount by which the fair market value of such



1 property exceeds twice the basis of such prop-  
2 erty.

3 “(C) DETERMINATION OF BASIS.—If a  
4 taxpayer—

5 “(i) does not account for inventories  
6 under section 471, and

7 “(ii) is not required to capitalize indi-  
8 rect costs under section 263A,

9 the taxpayer may elect, solely for purposes of  
10 paragraph (3)(B), to treat the basis of any ap-  
11 parently wholesome food as being equal to 25  
12 percent of the fair market value of such food.

13 “(D) DETERMINATION OF FAIR MARKET  
14 VALUE.—In the case of a charitable contribu-  
15 tion of apparently wholesome food which is a  
16 qualified contribution (within the meaning of  
17 paragraph (3), as modified by subparagraph  
18 (A) of this paragraph) and which, solely by rea-  
19 son of internal standards of the taxpayer or  
20 lack of market, cannot or will not be sold, the  
21 fair market value of such contribution shall be  
22 determined—

23 “(i) without regard to such internal  
24 standards or such lack of market and

1           “(ii) by taking into account the price  
2           at which the same or substantially the  
3           same food items (as to both type and qual-  
4           ity) are sold by the taxpayer at the time of  
5           the contribution (or, if not so sold at such  
6           time, in the recent past).

7           “(E) APPARENTLY WHOLESOME FOOD.—  
8           For purposes of this paragraph, the term ‘ap-  
9           parently wholesome food’ has the meaning given  
10          such term by section 22(b)(2) of the Bill Emer-  
11          son Good Samaritan Food Donation Act (42  
12          U.S.C. 1791(b)(2)), as in effect on the date of  
13          the enactment of this paragraph.

14          “(F) APPLICATION.—This paragraph shall  
15          apply to contributions made after August 28,  
16          2005, and before January 1, 2006.”.

17          (b) EFFECTIVE DATE.—The amendment made by  
18          this section shall apply to contributions made after August  
19          28, 2005.

20       **SEC. 713. CHARITABLE DEDUCTION FOR CONTRIBUTIONS**  
21               **OF BOOK INVENTORIES.**

22          (a) IN GENERAL.—Section 170(e)(3) (relating to cer-  
23          tain contributions of ordinary income and capital gain  
24          property) is amended by redesignating subparagraph (C)

1 as subparagraph (D) and by inserting after subparagraph  
2 (B) the following new subparagraph:

3           “(C) SPECIAL RULE FOR CONTRIBUTIONS  
4           OF BOOK INVENTORY FOR EDUCATIONAL PUR-  
5           POSES.—

6           “(i) CONTRIBUTIONS OF BOOK INVEN-  
7           TORY.—In determining whether a qualified  
8           book contribution is a qualified contribu-  
9           tion, subparagraph (A) shall be applied  
10          without regard to whether—

11           “(I) the donee is an organization  
12          described in the matter preceding  
13          clause (i) of subparagraph (A), and

14           “(II) the property is to be used  
15          by the donee solely for the care of the  
16          ill, the needy, or infants.

17          “(ii) AMOUNT OF REDUCTION.—Not-  
18          withstanding subparagraph (B), the  
19          amount of the reduction determined under  
20          paragraph (1)(A) shall not exceed the  
21          amount by which the fair market value of  
22          the contributed property (as determined by  
23          the taxpayer using a bona fide published  
24          market price for such book) exceeds twice  
25          the basis of such property.

1           “(iii) QUALIFIED BOOK CONTRIBU-  
2           TION.—For purposes of this paragraph,  
3           the term ‘qualified book contribution’  
4           means a charitable contribution of books,  
5           but only if the requirements of clauses (iv)  
6           and (v) are met.

7           “(iv) IDENTITY OF DONEE.—The re-  
8           quirement of this clause is met if the con-  
9           tribution is to an organization—

10                   “(I) described in subclause (I) or  
11                   (III) of paragraph (6)(B)(i), or

12                   “(II) described in section  
13                   501(c)(3) and exempt from tax under  
14                   section 501(a) (other than a private  
15                   foundation, as defined in section  
16                   509(a), which is not an operating  
17                   foundation, as defined in section  
18                   4942(j)(3)), which is organized pri-  
19                   marily to make books available to the  
20                   general public at no cost or to operate  
21                   a literacy program.

22           “(v) CERTIFICATION BY DONEE.—The  
23           requirement of this clause is met if, in ad-  
24           dition to the certifications required by sub-  
25           paragraph (A) (as modified by this sub-

1 paragraph), the donee certifies in writing  
2 that—

3 “(I) the books are suitable, in  
4 terms of currency, content, and quan-  
5 tity, for use in the donee’s educational  
6 programs, and

7 “(II) the donee will use the books  
8 in its educational programs.

9 “(vi) BONA FIDE PUBLISHED MARKET  
10 PRICE.—For purposes of this subpara-  
11 graph, the term ‘bona fide published mar-  
12 ket price’ means, with respect to any book,  
13 a price—

14 “(I) determined using the same  
15 printing and edition,

16 “(II) determined in the usual  
17 market in which such a book has been  
18 customarily sold by the taxpayer, and

19 “(III) for which the taxpayer can  
20 demonstrate to the satisfaction of the  
21 Secretary that the taxpayer custom-  
22 arily sold such books in arm’s length  
23 transactions within 7 years preceding  
24 the contribution of such a book.

1           “(vii) APPLICATION.—This subpara-  
2           graph shall apply to contributions made  
3           after August 28, 2005, and before January  
4           1, 2006.”.

5           (b) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to contributions made after August  
7 28, 2005.

8 **SEC. 714. ADDITIONAL EXEMPTION FOR HOUSING HURRI-**  
9 **CANE KATRINA DISPLACED INDIVIDUALS.**

10          (a) IN GENERAL.—In the case of taxable years of a  
11 natural person beginning in 2005 and 2006, for purposes  
12 of the Internal Revenue Code of 1986, taxable income  
13 shall be reduced by \$500 for each Hurricane Katrina dis-  
14 placed individual of the taxpayer for the taxable year.

15          (b) LIMITATIONS.—

16               (1) DOLLAR LIMITATION.—The reduction under  
17 subsection (a) shall not exceed \$2,000, reduced by  
18 the amount of the reduction under this section for  
19 all previous taxable years.

20               (2) INDIVIDUALS TAKEN INTO ACCOUNT ONLY  
21 ONCE.—An individual shall not be taken into ac-  
22 count under subsection (a) if such individual was  
23 taken into account under such subsection by the tax-  
24 payer in any prior taxable year.

1 (c) HURRICANE KATRINA DISPLACED INDIVIDUAL.—

2 For purposes of this subsection, the term “Hurricane  
3 Katrina displaced individual” means, with respect to any  
4 taxpayer for any taxable year, a natural person who—

5 (1) was (as of August 28, 2005) a resident of  
6 any Hurricane Katrina disaster area,

7 (2) is displaced from the person’s residence lo-  
8 cated in the area described in paragraph (1), and

9 (3) is provided housing free of charge by the  
10 taxpayer in the principal residence of the taxpayer  
11 for a period of 60 consecutive days which ends in  
12 such taxable year.

13 Such term shall not include the spouse or any dependent  
14 of the taxpayer.

15 **SEC. 715. INCREASE IN STANDARD MILEAGE RATE FOR**  
16 **CHARITABLE USE OF PASSENGER AUTO-**  
17 **MOBILE.**

18 Notwithstanding section 170(i) of the Internal Rev-  
19 enue Code of 1986, for purposes of computing the deduc-  
20 tion under section 170 of such Code for use of a vehicle  
21 described in subsection (f)(12)(E)(i) for provision of relief  
22 related to Hurricane Katrina during the period beginning  
23 on August 29, 2005, and ending before January 1, 2007,  
24 the standard mileage rate shall be 70 percent of the stand-  
25 ard mileage rate in effect under section 162(a) of such

1 Code at the time of such use. Any increase under this sec-  
2 tion shall be rounded to the next highest cent.

3 **SEC. 716. MILEAGE REIMBURSEMENTS TO CHARITABLE**  
4 **VOLUNTEERS EXCLUDED FROM GROSS IN-**  
5 **COME.**

6 (a) IN GENERAL.—Part III of subchapter B of chap-  
7 ter 1 is amended by inserting after section 139A the fol-  
8 lowing new section:

9 **“SEC. 139B. MILEAGE REIMBURSEMENTS TO CHARITABLE**  
10 **VOLUNTEERS.**

11 “(a) IN GENERAL.—Gross income of an individual  
12 does not include amounts received, from an organization  
13 described in section 170(c), as reimbursement of operating  
14 expenses with respect to use of a passenger automobile  
15 for the benefit of such organization. The preceding sen-  
16 tence shall apply only to the extent that the expenses  
17 which are reimbursed would be deductible under this chap-  
18 ter if section 274(d) were applied—

19 “(1) by using the standard business mileage  
20 rate established under such section, and

21 “(2) as if the individual were an employee of an  
22 organization not described in section 170(c).

23 “(b) APPLICATION TO VOLUNTEER SERVICES  
24 ONLY.—Subsection (a) shall not apply with respect to any



1 expenses relating to the performance of services for com-  
2 pensation.

3 “(c) NO DOUBLE BENEFIT.—A taxpayer may not  
4 claim a deduction or credit under any other provision of  
5 this title with respect to the expenses under subsection (a).

6 “(d) EXEMPTION FROM REPORTING REQUIRE-  
7 MENTS.—Section 6041 shall not apply with respect to re-  
8 imbursements excluded from income under subsection (a).

9 “(e) TERMINATION.—This section shall not apply to  
10 use of a passenger automobile after December 31, 2006.”.

11 (b) CLERICAL AMENDMENT.—The table of sections  
12 for part III of subchapter B of chapter 1 is amended by  
13 inserting after the item relating to section 139A the fol-  
14 lowing new item:

“Sec. 139B. Mileage reimbursements to charitable volunteers.”.

15 (c) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to the use of a passenger auto-  
17 mobile after the date of the enactment of this Act, in tax-  
18 able years ending after such date.

## 19 **CHAPTER IV—ADDITIONAL TAX RELIEF**

### 20 **PROVISIONS**

#### 21 **SEC. 721. EXCLUSIONS OF CERTAIN CANCELLATIONS OF IN-**

#### 22 **DEBTEDNESS FOR VICTIMS OF HURRICANE**

#### 23 **KATRINA.**

24 (a) IN GENERAL.—For purposes of the Internal Rev-  
25 enue Code of 1986, gross income shall not include any

1 amount which (but for this section) would be includible  
2 in gross income by reason of the discharge (in whole or  
3 in part) of indebtedness of a natural person by an applica-  
4 ble entity (as defined in section 6050P(c)(1)) if the dis-  
5 charge is by reason of the damage sustained by the tax-  
6 payer in connection with Hurricane Katrina.

7 (b) EXCEPTION.—Subsection (a) shall not apply to  
8 any indebtedness incurred in connection with a trade or  
9 business.

10 (c) DENIAL OF DOUBLE BENEFIT.—The amount ex-  
11 cluded from gross income under subsection (a) shall be  
12 applied to reduce the tax attributes of the taxpayer as pro-  
13 vided in section 108(b) of such Code.

14 (d) EFFECTIVE DATE.—This section shall apply to  
15 discharges made on or after August 29, 2005, and before  
16 January 1, 2007.

17 **SEC. 722. SUSPENSION OF CERTAIN LIMITATIONS ON PER-**  
18 **SONAL CASUALTY LOSSES.**

19 Paragraphs (1) and (2)(A) of section 165(h) of the  
20 Internal Revenue Code of 1986 shall not apply to losses  
21 described in section 165(c)(3) of such Code which are at-  
22 tributable to Hurricane Katrina. In the case of any other  
23 losses, section 165(h)(2)(A) of such Code shall be applied  
24 without regard to the losses referred to in the preceding  
25 sentence.

1 **SEC. 723. REQUIRED EXERCISE OF AUTHORITY UNDER SEC-**  
2 **TION 7508A FOR TAX RELIEF FOR VICTIMS OF**  
3 **HURRICANE KATRINA.**

4 (a) **AUTHORITY INCLUDES SUSPENSION OF PAY-**  
5 **MENT OF EMPLOYMENT AND EXCISE TAXES.**—Subpara-  
6 graphs (A) and (B) of section 7508(a)(1) are amended  
7 to read as follows:

8 “(A) Filing any return of income, estate,  
9 gift, employment, or excise tax;

10 “(B) Payment of any income, estate, gift,  
11 employment, or excise tax or any installment  
12 thereof or of any other liability to the United  
13 States in respect thereof;”.

14 (b) **APPLICATION TO VICTIMS OF HURRICANE**  
15 **KATRINA.**—In the case of any taxpayer determined by the  
16 Secretary of the Treasury to be affected by the Presi-  
17 dentially declared disaster relating to Hurricane Katrina,  
18 any relief provided by the Secretary of the Treasury under  
19 section 7508A of the Internal Revenue Code of 1986 shall  
20 be for a period ending not earlier than February 28, 2006,  
21 and shall be treated as applying to the filing of returns  
22 relating to, and the payment of, employment and excise  
23 taxes.

24 (c) **EFFECTIVE DATE.**—The amendment made by  
25 subsection (a) shall apply for any period for performing  
26 an act which has not expired before August 29, 2005.

1 **SEC. 724. SPECIAL MORTGAGE FINANCING RULES FOR**  
2 **RESIDENCES LOCATED IN HURRICANE**  
3 **KATRINA DISASTER AREA.**

4 In the case of a residence located in a Hurricane  
5 Katrina disaster area which replaces a residence destroyed  
6 by Hurricane Katrina or which is being repaired for dam-  
7 age caused by Hurricane Katrina, section 143 of the In-  
8 ternal Revenue Code of 1986 shall be applied with the fol-  
9 lowing modifications to financing provided with respect to  
10 such residence within 3 years after the date of the disaster  
11 declaration:

12 (1) Subsections (d) of such section 143 shall be  
13 applied as if such residence were a targeted area  
14 residence.

15 (2) The limitation under subsection (k)(4) of  
16 such section 143 shall be increased (but not above  
17 \$150,000) to the extent the qualified home-improve-  
18 ment loan is for the repair of damage caused by  
19 Hurricane Katrina.

20 This section shall apply only with respect to bonds issued  
21 after August 28, 2005, and before August 29, 2008.

1 **SEC. 825. EXTENSION OF REPLACEMENT PERIOD FOR NON-**  
2 **RECOGNITION OF GAIN FOR PROPERTY**  
3 **LOCATED IN HURRICANE KATRINA DISASTER**  
4 **AREA.**

5 Notwithstanding subsections (g) and (h) of section  
6 1033 of the Internal Revenue Code of 1986, clause (i) of  
7 section 1033(a)(2)(B) of such Code shall be applied by  
8 substituting “5 years” for “2 years” with respect to prop-  
9 erty which is compulsorily or involuntarily converted as  
10 a result of Hurricane Katrina in a Hurricane Katrina dis-  
11 aster area, but only if substantially all of the use of the  
12 replacement property is in such area.

13 **SEC. 726. SPECIAL RULE FOR DETERMINING EARNED IN-**  
14 **COME.**

15 (a) IN GENERAL.—In the case of a qualified indi-  
16 vidual, if the earned income of the taxpayer for the taxable  
17 year of such taxpayer which includes August 28, 2005,  
18 is less than the earned income which is attributable to the  
19 taxpayer for the preceding taxable year, the credits al-  
20 lowed under sections 24(d) and 32 of the Internal Revenue  
21 Code of 1986 may, at the election of the taxpayer, be de-  
22 termined by substituting—

23 (1) such earned income for the preceding tax-  
24 able year, for

25 (2) such earned income for the taxable year  
26 which includes August 28, 2005.

1           (b) QUALIFIED INDIVIDUAL.—For purposes of this  
2 section, the term “qualified individual” means any indi-  
3 vidual whose principal place of abode was (as of August  
4 28, 2005) in any Hurricane Katrina disaster area.

5           (c) EARNED INCOME.—For purposes of this section,  
6 the term “earned income” has the meaning given such  
7 term under section 32(c) of such Code.

8           (d) SPECIAL RULES.—

9               (1) APPLICATION TO JOINT RETURNS.—For  
10 purpose of subsection (a), in the case of a joint re-  
11 turn for a taxable year which includes August 28,  
12 2005,

13                   (A) such subsection shall apply if either  
14 spouse is a qualified individual,

15                   (B) the earned income which is attrib-  
16 utable to the taxpayer for the preceding taxable  
17 year shall be the sum of the earned income  
18 which is attributable to each spouse for such  
19 preceding taxable year, and

20                   (C) the substitution described in such sub-  
21 section shall apply only with respect to earned  
22 income which is attributable to a spouse who is  
23 a qualified individual.

24               (2) UNIFORM APPLICATION OF ELECTION.—  
25 Any election made under subsection (a) shall apply

1 with respect to both section 24(d) and section 32 of  
2 such Code.

3 (3) ERRORS TREATED AS MATHEMATICAL  
4 ERROR.—For purposes of section 6213 of such  
5 Code, an incorrect use on a return of earned income  
6 pursuant to subsection (a) shall be treated as a  
7 mathematical or clerical error.

8 (4) NO EFFECT ON DETERMINATION OF GROSS  
9 INCOME.—For purposes of the Internal Revenue  
10 Code of 1986, gross income shall be determined  
11 without regard to any substitution under subsection  
12 (a).

13 **SEC. 727. SECRETARIAL AUTHORITY TO MAKE ADJUST-**  
14 **MENTS REGARDING TAXPAYER AND DEPEND-**  
15 **ENCY STATUS.**

16 With respect to taxable years beginning in 2005 or  
17 2006, the Secretary of the Treasury or the Secretary's del-  
18 egate may make such adjustments in the application of  
19 the internal revenue laws as may be necessary to ensure  
20 that taxpayers do not lose any deduction or credit or expe-  
21 rience a change of filing status by reason of temporary  
22 relocations after Hurricane Katrina or by reason of the  
23 receipt of hurricane relief. Any adjustments made under  
24 the preceding sentence shall ensure that an individual is

1 not taken into account by more than one taxpayer with  
 2 respect to the same tax benefit.

3 **CHAPTER V—EMERGENCY REQUIREMENT**

4 **SEC. 731. EMERGENCY REQUIREMENT.**

5 Any provision of this Act causing an effect on re-  
 6 cepts, budget authority, or outlays is designated as an  
 7 emergency requirement pursuant to section 402 of H.  
 8 Con. Res. 95 (109th Congress).

9 **Subtitle II—Additional Tax**  
 10 **Incentives**

11 **SEC. 741. TAX BENEFITS FOR THE MAJOR DISASTER AREA**

12 **DAMAGED IN HURRICANE KATRINA.**

13 (a) IN GENERAL.—Chapter 1 is amended by adding  
 14 at the end the following new subchapter:

15 **“Subchapter Z—Hurricane Katrina Disaster**  
 16 **Zone Benefits**

“Sec. 1400M. Tax benefits for Hurricane Katrina Disaster Zone.

17 **“SEC. 1400M. TAX BENEFITS FOR HURRICANE KATRINA DIS-**

18 **ASTER ZONE.**

19 **“(a) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY**  
 20 **ACQUIRED AFTER AUGUST 28, 2005.—**

21 **“(1) ADDITIONAL ALLOWANCE.—**In the case of  
 22 any qualified Hurricane Katrina Disaster Zone prop-  
 23 erty—



1           “(A) the depreciation deduction provided  
2           by section 167(a) for the taxable year in which  
3           such property is placed in service shall include  
4           an allowance equal to 50 percent of the ad-  
5           justed basis of such property, and

6           “(B) the adjusted basis of the qualified  
7           Hurricane Katrina Disaster Zone property shall  
8           be reduced by the amount of such deduction be-  
9           fore computing the amount otherwise allowable  
10          as a depreciation deduction under this chapter  
11          for such taxable year and any subsequent tax-  
12          able year.

13          “(2) QUALIFIED HURRICANE KATRINA DIS-  
14          ASTER ZONE PROPERTY.—For purposes of this sub-  
15          section—

16               “(A) IN GENERAL.—The term ‘qualified  
17               Hurricane Katrina Disaster Zone property’  
18               means property—

19                       “(i)(I) which is described in section  
20                       168(k)(2)(A)(i), or

21                       “(II) which is nonresidential real  
22                       property, or residential rental property,  
23                       which is described in subparagraph (B),

24                       “(ii) substantially all of the use of  
25                       which is in the Hurricane Katrina Disaster

1           Zone and is in the active conduct of a  
2           trade or business by the taxpayer in such  
3           Zone,

4           “(iii) the original use of which in the  
5           Hurricane Katrina Disaster Zone com-  
6           mences with the taxpayer after August 29,  
7           2005,

8           “(iv) which is acquired by the tax-  
9           payer by purchase (as defined in section  
10          179(d)) after August 28, 2005, but only if  
11          no written binding contract for the acquisi-  
12          tion was in effect before August 29, 2005,  
13          and

14          “(v) which is placed in service by the  
15          taxpayer on or before the termination date.

16          The term ‘termination date’ means December  
17          31, 2012 (December 31, 2015, in the case of  
18          nonresidential real property and residential  
19          rental property).

20          “(B) ELIGIBLE REAL PROPERTY.—Non-  
21          residential real property or residential rental  
22          property is described in this subparagraph only  
23          to the extent it rehabilitates real property dam-  
24          aged, or replaces real property destroyed or  
25          condemned, as a result of Hurricane Katrina.

1 For purposes of the preceding sentence, prop-  
2 erty shall be treated as replacing real property  
3 destroyed or condemned if, as part of an inte-  
4 grated plan, such property replaces real prop-  
5 erty which is included in a continuous area  
6 which includes real property destroyed or con-  
7 demned.

8 “(C) EXCEPTIONS.—

9 “(i) ALTERNATIVE DEPRECIATION  
10 PROPERTY.—The term ‘qualified Hurri-  
11 cane Katrina Disaster Zone property’ shall  
12 not include any property described in sec-  
13 tion 168(k)(2)(D)(i).

14 “(ii) QUALIFIED HURRICANE KATRINA  
15 DISASTER ZONE LEASEHOLD IMPROVE-  
16 MENT PROPERTY.—Such term shall not in-  
17 clude any qualified Hurricane Katrina Dis-  
18 aster Zone leasehold improvement prop-  
19 erty.

20 “(iii) ELECTION OUT.—For purposes  
21 of this subsection, rules similar to the rules  
22 of section 168(k)(2)(D)(iii) shall apply.

23 “(D) SPECIAL RULES.—For purposes of  
24 this subsection, rules similar to the rules of sec-  
25 tion 168(k)(2)(E) shall apply, except that

1 clause (i) thereof shall be applied without re-  
2 gard to ‘and January 1, 2005’ and clause (iv)  
3 thereof shall be applied by substituting ‘quali-  
4 fied Hurricane Katrina Disaster Zone property’  
5 for ‘qualified property’.

6 “(E) ALLOWANCE AGAINST ALTERNATIVE  
7 MINIMUM TAX.—For purposes of this sub-  
8 section, rules similar to the rules of section  
9 168(k)(2)(G) shall apply.

10 “(b) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION  
11 OF CERTAIN LEASEHOLD IMPROVEMENTS.—

12 “(1) IN GENERAL.—For purposes of section  
13 168, the term ‘5-year property’ includes any quali-  
14 fied Hurricane Katrina Disaster Zone leasehold im-  
15 provement property.

16 “(2) QUALIFIED HURRICANE KATRINA DIS-  
17 ASTER ZONE LEASEHOLD IMPROVEMENT PROP-  
18 ERTY.—For purposes of this section, the term  
19 ‘qualified Hurricane Katrina Disaster Zone leasehold  
20 improvement property’ means qualified leasehold im-  
21 provement property (as defined in section 168(k)(3))  
22 if—

23 “(A) such building is located in the Hurri-  
24 cane Katrina Disaster Zone,

1           “(B) such improvement is placed in service  
2           after August 28, 2005, and before January 1,  
3           2007, and

4           “(C) no written binding contract for such  
5           improvement was in effect before August 28,  
6           2005.

7           “(3) REQUIREMENT TO USE STRAIGHT LINE  
8           METHOD.—The applicable depreciation method  
9           under section 168 shall be the straight line method  
10          in the case of qualified Hurricane Katrina Disaster  
11          Zone leasehold improvement property.

12          “(4) 9-YEAR RECOVERY PERIOD UNDER ALTER-  
13          NATIVE SYSTEM.—For purposes of section 168(g),  
14          the class life of qualified Hurricane Katrina Disaster  
15          Zone leasehold improvement property shall be 9  
16          years.

17          “(c) TAX-EXEMPT BOND FINANCING.—

18                 “(1) IN GENERAL.—For purposes of this title,  
19                 any qualified Hurricane Katrina Disaster Bond shall  
20                 be treated as an exempt facility bond.

21                 “(2) QUALIFIED HURRICANE KATRINA DIS-  
22                 ASTER BOND.—For purposes of this subsection, the  
23                 term ‘qualified Hurricane Katrina Disaster Bond’  
24                 means any bond issued as part of an issue if—

1           “(A) 95 percent or more of the net pro-  
2 ceeds (as defined in section 150(a)(3)) of such  
3 issue are to be used for qualified project costs,

4           “(B) such bond is issued by a State or po-  
5 litical subdivision in which a part of the Hurri-  
6 cane Katrina Disaster Zone is located,

7           “(C) the Governor designates such bond  
8 for purposes of this section, and

9           “(D) such bond is issued after the date of  
10 the enactment of this section and before Janu-  
11 ary 1, 2011.

12           “(3) LIMITATIONS ON AMOUNT OF BONDS.—

13           “(A) AGGREGATE AMOUNT DESIGNATED.—

14           The maximum aggregate face amount of bonds  
15 which may be designated under this subsection  
16 shall not exceed \$45,000,000,000.

17           “(B) MOVABLE PROPERTY.—No bonds  
18 shall be issued which are to be used for movable  
19 fixtures and equipment.

20           “(4) QUALIFIED PROJECT COSTS.—For pur-  
21 poses of this subsection, the term ‘qualified project  
22 costs’ means the cost of acquisition, construction, re-  
23 construction, and renovation of—

24           “(A) nonresidential real property (includ-  
25 ing nonprofit and commercial business, rec-

1 reational, transportation, health care, and edu-  
2 cation facilities), residential real property, and  
3 residential rental property (including fixed ten-  
4 ant improvements associated with such prop-  
5 erty) located in the Hurricane Katrina Disaster  
6 Zone, including related infrastructure, and

7 “(B) public utility property (as defined in  
8 section 168(i)(10)) located in the Hurricane  
9 Katrina Disaster Zone.

10 “(5) SPECIAL RULES.—In applying this title to  
11 any qualified Hurricane Katrina Disaster Bond, the  
12 following modifications shall apply:

13 “(A) Sections 146 (relating to volume  
14 cap), 147(f) (relating to public approval), and  
15 149(b) (relating to Federal guarantees) shall  
16 not apply.

17 “(B) Sections 142(d) and 150(b)(2) (relat-  
18 ing to tenant targeting rules for residential  
19 rental property shall not apply,

20 “(C) Section 147(d) (relating to acquisi-  
21 tion of existing property not permitted) shall be  
22 applied by substituting ‘50 percent’ for ‘15 per-  
23 cent’ each place it appears.

24 “(D) Section 148(f)(4)(C) (relating to ex-  
25 ception from rebate for certain proceeds to be

1 used to finance construction expenditures) shall  
2 apply to the available construction proceeds of  
3 bonds issued under this section.

4 “(E) Repayments of principal on financing  
5 provided by the issue—

6 “(i) may not be used to provide fi-  
7 nancing, and

8 “(ii) must be used not later than the  
9 close of the 1st semiannual period begin-  
10 ning after the date of the repayment to re-  
11 deem bonds which are part of such issue.

12 The requirement of clause (ii) shall be treated  
13 as met with respect to amounts received within  
14 10 years after the date of issuance of the issue  
15 (or, in the case of a refunding bond, the date  
16 of issuance of the original bond) if such  
17 amounts are used by the close of such 10 years  
18 to redeem bonds which are part of such issue.

19 “(F) Section 57(a)(5) shall not apply.

20 “(6) SEPARATE ISSUE TREATMENT OF POR-  
21 TIONS OF AN ISSUE.—This subsection shall not  
22 apply to the portion of an issue which (if issued as  
23 a separate issue) would be treated as a qualified  
24 bond or as a bond that is not a private activity bond



1 (determined without regard to paragraph (1)), if the  
2 issuer elects to so treat such portion.

3 “(7) INTEREST TREATED AS BANK ELIGIBLE.—  
4 Any interest with respect to any qualified Hurricane  
5 Katrina Disaster Bond shall not be treated as tax-  
6 exempt interest for purposes of section 265(b).

7 “(d) ADVANCE REFUNDINGS OF CERTAIN TAX-EX-  
8 EMPT BONDS.—

9 “(1) IN GENERAL.—With respect to a bond de-  
10 scribed in paragraph (2) issued as part of an issue  
11 90 percent (95 percent in the case of a bond de-  
12 scribed in paragraph (2)(B)) or more of the net pro-  
13 ceeds (as defined in section 150(a)(3)) of which were  
14 used to finance facilities located within the Hurri-  
15 cane Katrina Disaster Zone (or property which is  
16 functionally related and subordinate to facilities lo-  
17 cated in such Zone), one additional advanced refund-  
18 ing after the date of the enactment of this section  
19 and before January 1, 2011, shall be allowed under  
20 the applicable rules of section 149(d) if—

21 “(A) the Governor designates the advance  
22 refunding bond for purposes of this subsection,  
23 and

24 “(B) the requirements of paragraph (4)  
25 are met.

1           “(2) BONDS DESCRIBED.—A bond is described  
2           in this paragraph if such bond was outstanding on  
3           August 28, 2005, and is—

4                   “(A) a State or local bond (as defined in  
5                   section 103(c)(1)) which is a general obligation  
6                   a State or political subdivision in the Hurricane  
7                   Katrina Disaster Zone, or

8                   “(B) a qualified 501(c)(3) bond (as de-  
9                   fined in section 145(a)) issued by or on behalf  
10                  of a State or political subdivision in the Hurri-  
11                  cane Katrina Disaster Zone.

12           “(3) ADDITIONAL REQUIREMENTS.—The re-  
13           quirements of this paragraph are met with respect  
14           to any advance refunding of a bond described in  
15           paragraph (2) if—

16                   “(A) no advance refundings of such bond  
17                   would be allowed under any provision of law  
18                   after August 28, 2005,

19                   “(B) the advance refunding bond is the  
20                   only other outstanding bond with respect to the  
21                   refunded bond, and

22                   “(C) the requirements of section 148 are  
23                   met with respect to all bonds issued under this  
24                   subsection.

1       “(e) STATE AND LOCAL BONDS.—For purposes of  
2 this title, any State or local bond issued by a State or  
3 political subdivision in which a part of the Hurricane  
4 Katrina Disaster Zone is located—

5           “(1) for disaster cleanup purposes, may be  
6 issued without regard to any working capital financ-  
7 ing restrictions under section 148 or Federal guar-  
8 antee limitations under section 149(b), and

9           “(2) for student loans, may be issued without  
10 regard to any volume cap limitations under section  
11 146 or any special allowance payments in computing  
12 yield on such loans under section 148.

13       “(f) INCREASE IN EXPENSING UNDER SECTION  
14 179.—

15           “(1) IN GENERAL.—For purposes of section  
16 179—

17           “(A) the limitation under section 179(b)(1)  
18 shall be increased by the lesser of—

19                   “(i) \$100,000, or

20                   “(ii) the cost of section 179 property  
21 which is qualified Hurricane Katrina Dis-  
22 aster Zone property placed in service dur-  
23 ing the taxable year, and

24           “(B) the amount taken into account under  
25 section 179(b)(2) with respect to any section

1           179 property which is qualified Hurricane  
2           Katrina Disaster Zone property shall be 50 per-  
3           cent of the cost thereof.

4           “(2) QUALIFIED HURRICANE KATRINA DIS-  
5           ASTER ZONE PROPERTY.—For purposes of this sub-  
6           section, the term ‘qualified Hurricane Katrina Dis-  
7           aster Zone property’ has the meaning given such  
8           term by subsection (b)(2), except that the termi-  
9           nation date is December 31, 2007.

10           “(3) RECAPTURE.—Rules similar to the rules  
11           under section 179(d)(10) shall apply with respect to  
12           any qualified Hurricane Katrina Disaster Zone prop-  
13           erty which ceases to be used in the Hurricane  
14           Katrina Disaster Zone.

15           “(g) HURRICANE KATRINA DISASTER ZONE.—For  
16           purposes of this section, the term ‘Hurricane Katrina Dis-  
17           aster Zone’ means an area—

18           “(1) with respect to which a major disaster has  
19           been declared by the President before September 14,  
20           2005, under section 401 of the Robert T. Stafford  
21           Disaster Relief and Emergency Assistance Act in  
22           connection with Hurricane Katrina, and

23           “(2) which is determined by the President be-  
24           fore such date to warrant individual assistance, or

1 individual and public assistance, from the Federal  
2 Government under such Act.”.

3 (b) CLERICAL AMENDMENT.—The table of sub-  
4 chapters for chapter 1 is amended by adding at the end  
5 the following new item:

“SUBCHAPTER Z—HURRICANE KATRINA DISASTER ZONE BENEFITS.”.

6 (c) SATISFACTION OF COMMUNITY REINVESTMENT  
7 ACT REQUIREMENTS.—A financial institution that pur-  
8 chases any bond described in subsection (c) or (d) of sec-  
9 tion 1400M of the Internal Revenue Code of 1986 shall  
10 be considered, for purposes of an evaluation under section  
11 804 of the Community Reinvestment Act of 1977 (12  
12 U.S.C. 2903), to be meeting the credit needs of its entire  
13 community, including low- and moderate-income neighbor-  
14 hoods.

15 **SEC. 742. PREMIUMS FOR MORTGAGE INSURANCE.**

16 (a) IN GENERAL.—For purposes of section 163(h)(3)  
17 of the Internal Revenue Code of 1986, premiums paid or  
18 accrued for qualified mortgage insurance by a taxpayer  
19 during the taxable year in connection with acquisition in-  
20 debtedness with respect to a qualified residence of the tax-  
21 payer located in a Hurricane Katrina Disaster Zone (as  
22 defined in section 1400M(g) of such Code) shall be treated  
23 as qualified residence interest.

1 (b) QUALIFIED MORTGAGE INSURANCE.—For pur-  
2 poses of this section, the term “qualified mortgage insur-  
3 ance” means—

4 (1) mortgage insurance provided by the Vet-  
5 erans Administration, the Federal Housing Adminis-  
6 tration, or the Rural Housing Administration, and

7 (2) private mortgage insurance (as defined by  
8 section 2 of the Homeowners Protection Act of 1998  
9 (12 U.S.C. 4901), as in effect on the date of the en-  
10 actment of this section).

11 (c) SPECIAL RULES FOR PREPAID QUALIFIED MORT-  
12 GAGE INSURANCE.—For purposes of subsection (a), any  
13 amount paid by the taxpayer for qualified mortgage insur-  
14 ance that is properly allocable to any mortgage the pay-  
15 ment of which extends to periods that are after the close  
16 of the taxable year in which such amount is paid shall  
17 be chargeable to capital account and shall be treated as  
18 paid in such periods to which so allocated. No deduction  
19 shall be allowed for the unamortized balance of such ac-  
20 count if such mortgage is satisfied before the end of its  
21 term. The preceding sentences shall not apply to amounts  
22 paid for qualified mortgage insurance provided by the Vet-  
23 erans Administration or the Rural Housing Administra-  
24 tion.

25 (d) INFORMATION RETURNS.—

1           (1) IN GENERAL.—The Secretary of the Treas-  
2           ury may prescribe, by regulations, that any person  
3           who, in the course of a trade or business, receives  
4           from any individual premiums for mortgage insur-  
5           ance with respect to a qualified residence of the tax-  
6           payer located in a Hurricane Katrina Disaster Zone  
7           (as so defined) aggregating \$600 or more for any  
8           calendar year, shall make a return with respect to  
9           each such individual. Such return shall be in such  
10          form, shall be made at such time, and shall contain  
11          such information as the Secretary of the Treasury  
12          may prescribe.

13          (2) STATEMENT TO BE FURNISHED TO INDIVID-  
14          UALS WITH RESPECT TO WHOM INFORMATION IS RE-  
15          QUIRED.—Every person required to make a return  
16          under paragraph (1) shall furnish to each individual  
17          with respect to whom a return is made a written  
18          statement showing such information as the Sec-  
19          retary of the Treasury may prescribe. Such written  
20          statement shall be furnished on or before January  
21          31 of the year following the calendar year for which  
22          the return under paragraph (1) was required to be  
23          made.

24          (3) SPECIAL RULES.—For purposes of this sub-  
25          section, rules similar to the rules of section

1       6050H(c) of the Internal Revenue Code of 1986  
2       shall apply.

3       (d) EFFECTIVE DATE.—This section shall apply to  
4 amounts paid or accrued after the date of the enactment  
5 of this Act in taxable years ending after such date, and  
6 before the date which is 3 years after such date.

7 **SEC. 743. SUSPENSION OF AIR TRANSPORTATION EXCISE**  
8                                   **TAXES.**

9       No tax imposed under section 4261 or 4271 of the  
10 Internal Revenue Code of 1986 shall apply with respect  
11 to any segment of taxable transportation (as defined in  
12 sections 4262 and 4272 of such Code) beginning or ending  
13 in any airport located in a Hurricane Katrina Disaster  
14 Zone (as defined in section 1400M(g) of such Code) dur-  
15 ing the 3-year period beginning on August 28, 2005.

16 **SEC. 744. RELOCATION TAX CREDIT FOR VICTIMS OF HUR-**  
17                                   **RICANE KATRINA.**

18       (a) IN GENERAL.—Subpart B of part IV of sub-  
19 chapter A of chapter 1 is amended by adding at the end  
20 the following new section:

21 **“SEC. 30D. RELOCATION EXPENSES FOR VICTIMS OF HUR-**  
22                                   **RICANE KATRINA.**

23       “(a) IN GENERAL.—There shall be allowed as a cred-  
24 it against the tax imposed by this chapter for the applica-



1 ble taxable year an amount equal to the qualified reloca-  
2 tion expenses of the taxpayer.

3 “(b) QUALIFIED RELOCATION EXPENSES; APPLICA-  
4 BLE TAXABLE YEAR.—For purposes of this section—

5 “(1) QUALIFIED RELOCATION EXPENSES.—

6 “(A) IN GENERAL.—The term ‘qualified  
7 relocation expenses’ means the reasonable relo-  
8 cation expenses incurred after August 26, 2005,  
9 and before January 1, 2008, with respect to—

10 “(i) in the case of an individual who  
11 had a principal place of abode in a Hurri-  
12 cane Katrina disaster area on August 26,  
13 2005—

14 “(I) the relocation such indi-  
15 vidual to any area within the United  
16 States, and

17 “(II) the relocation of such indi-  
18 vidual after a relocation described in  
19 subclause (I) to a location in the Hur-  
20 ricane Katrina disaster area in which  
21 the individual had a principal place of  
22 abode on August 26, 2005, and

23 “(ii) in the case of a trade or business  
24 which was located in a Hurricane Katrina  
25 disaster area on August 26, 2005—

1           “(I) the relocation of such trade  
2           or business to any area within the  
3           United States, and

4           “(II) the relocation of such trade  
5           or business after a relocation de-  
6           scribed in subclause (I) to a location  
7           in the Hurricane Katrina disaster  
8           area in which the trade or business  
9           was located on August 26, 2005.

10           “(B) RELOCATION EXPENSES.—The term  
11           ‘relocation expenses’ means—

12           “(i) in the case of expenses incurred  
13           with respect to an individual described in  
14           subparagraph (A)(i), expenses described in  
15           section 217(b)(1), and

16           “(ii) in the case of expenses incurred  
17           with respect to a trade or business de-  
18           scribed in subparagraph (A)(ii), expenses  
19           (other than expenses for meals)—

20           “(I) of moving any inventory or  
21           other item necessary for carrying on  
22           such trade or business, and

23           “(II) of traveling from the  
24           former location to the new location.

1           “(2) TAXABLE YEAR IN WHICH EXPENSES ARE  
2 ALLOWED.—The term ‘applicable taxable year’  
3 means—

4           “(A) in the case of relocation expenses de-  
5 scribed in paragraph (1)(A)(i), the taxable year  
6 of the individual in which the individual relo-  
7 cates to a location in the Hurricane Katrina  
8 disaster area in which the individual had a  
9 principal place of abode on August 26, 2005.

10           “(B) in the case of relocation expenses de-  
11 scribed in paragraph (1)(A)(ii), the taxable year  
12 in which the trade or business of the taxpayer  
13 is relocated to a location in the Hurricane  
14 Katrina disaster area in which the trade or  
15 business was located on August 26, 2005.

16           “(3) HURRICANE KATRINA DISASTER AREA.—  
17 The term ‘Hurricane Katrina disaster area’ means  
18 an area—

19           “(A) with respect to which a major dis-  
20 aster has been declared by the President before  
21 September 14, 2005, under section 401 of the  
22 Robert T. Stafford Disaster Relief and Emer-  
23 gency Assistance Act in connection with Hurri-  
24 cane Katrina, and

1           “(B) which is determined by the President  
2           before such date to warrant individual assist-  
3           ance, or individual and public assistance, from  
4           the Federal Government under such Act.

5           “(c) CARRYBACK AND CARRYFORWARD ALLOWED.—

6           “(1) IN GENERAL.—If the credit allowable  
7           under subsection (a) for a taxable year exceeds the  
8           amount of the limitation under subsection (d) for  
9           such taxable year (in this subsection referred to as  
10          the ‘unused credit year’), such excess shall be a  
11          credit carryback to each of the 3 taxable years pre-  
12          ceding the unused credit year and a credit  
13          carryforward to each of the 20 taxable years fol-  
14          lowing the unused credit year, except that no excess  
15          may be carried to a taxable year beginning before  
16          the date of the enactment of this section. The pre-  
17          ceding sentence shall not apply to any credit  
18          carryback if such credit carryback is attributable to  
19          property for which a deduction for depreciation is  
20          not allowable.

21          “(2) RULES.—Rules similar to the rules of sec-  
22          tion 39 shall apply with respect to the credit  
23          carryback and credit carryforward under paragraph  
24          (1).

1       “(d) APPLICATION WITH OTHER CREDITS.—The  
2 credit allowed under subsection (a) for any taxable year  
3 shall not exceed the excess (if any) of—

4               “(1) the sum of the regular tax for the taxable  
5 year and the tentative minimum tax for the taxable  
6 year, over

7               “(2) the sum of the credits allowable under sub-  
8 part A and sections 27, 29, and 30.”.

9       (b) DENIAL OF DOUBLE BENEFIT.—Section 280C is  
10 amended by adding at the end the following new sub-  
11 section:

12       “(e) HURRICANE KATRINA RELOCATION EX-  
13 PENSES.—No deduction shall be allowed for the portion  
14 of the expenses otherwise allowable as a deduction for the  
15 taxable year which is equal to the amount of the credit  
16 determined for the taxable year under section 45N(a).”.

17       (c) CONFORMING AMENDMENT.—The table of section  
18 for subpart B of part IV of subchapter A of chapter 1  
19 is amended by inserting after the item relating to section  
20 30C the following new item:

      “Sec. 30D. Relocation expenses for victims of Hurricane Katrina.”.

21       (d) EFFECTIVE DATE.—The amendments made by  
22 this section shall apply to expenses paid or incurred after  
23 August 26, 2005.

1 **SEC. 745. 50-PERCENT INCOME TAX HOLIDAY.**

2 (a) IN GENERAL.—In the case of an individual, there  
3 shall be excluded from gross income for each taxable year  
4 beginning during the income tax holiday period an amount  
5 equal to the lesser of—

6 (1) 50 percent of the sum of—

7 (A) the eligible wages for the taxable year,  
8 plus

9 (B) the eligible net earnings from self-em-  
10 ployment for the taxable year, or

11 (2) \$35,000 (\$70,000 in the case of a joint re-  
12 turn).

13 (b) INCOME TAX HOLIDAY PERIOD.—For purposes  
14 of this section—

15 (1) IN GENERAL.—Except as provided in para-  
16 graph (2), the term “income tax holiday period ”  
17 means the period beginning on August 28, 2005,  
18 and ending on December 31, 2007.

19 (2) SPECIAL RULE FOR TAXABLE YEAR IN-  
20 CLUDING AUGUST 28, 2005.—For purposes of sub-  
21 section (a), any taxable year of the taxpayer which  
22 includes August 28, 2005, shall be treated as a tax-  
23 able year beginning during the income tax holiday  
24 period, except that the eligible wages and eligible net  
25 earnings from self-employment of the taxpayer for  
26 such taxable year shall be equal to the amount of

1 such wages or earnings determined without regard  
2 to this paragraph multiplied by a fraction—

3 (A) the numerator of which is the number  
4 of days in the taxable year on and after August  
5 28, 2005, and

6 (B) the denominator of which is the num-  
7 ber of days in the taxable year.

8 (c) ELIGIBLE WAGES.—For purposes of this section,  
9 the term “eligible wages” means wages (as defined in sec-  
10 tion 3401(a)) received by the taxpayer during the taxable  
11 year for services performed by the taxpayer in the Hurri-  
12 cane Katrina Disaster Zone. For purposes of the pre-  
13 ceding sentence, services shall be treated as performed in  
14 such Zone if substantially all of such services are so per-  
15 formed.

16 (d) ELIGIBLE NET EARNINGS FROM SELF-EMPLOY-  
17 MENT.—For purposes of this section—

18 (1) IN GENERAL.—The term “eligible net earn-  
19 ings from self-employment” means the net earnings  
20 from self-employment of the taxpayer for the taxable  
21 year determined under section 1402, except that—

22 (A) eligible wages shall not be taken into  
23 account to the extent not excluded under sec-  
24 tion 1402 (b)(1), and

1           (B) only self-employment income (and the  
2           deductions attributable thereto) which are prop-  
3           erly allocable to the active conduct of a trade or  
4           business within the Hurricane Katrina Disaster  
5           Zone shall be taken into account.

6           (2) RENTAL OF PROPERTY.—For purposes of  
7           paragraph (1), the rental of real or personal prop-  
8           erty shall be treated as the active conduct of a trade  
9           or business if—

10           (A) in the case of real property, the prop-  
11           erty is located in the Hurricane Katrina Dis-  
12           aster Zone, and

13           (B) in the case of personal property, at  
14           least 50 percent of the rental of the property is  
15           by businesses located in, or is by residents of,  
16           such Zone.

17           The exception under section 1402(a)(1) shall not  
18           apply to self-employment income (and the deductions  
19           attributable thereto) properly allocable to a trade or  
20           business to which this paragraph applies.

21           (e) HURRICANE KATRINA DISASTER ZONE.—The  
22           term “Hurricane Katrina Disaster Zone” has the meaning  
23           given such term by section 1400M(g) of the Internal Rev-  
24           enue Code of 1986.



1 **SEC. 746. HURRICANE KATRINA DISASTER ZONE RESTORA-**  
2 **TION TAX CREDIT.**

3 (a) IN GENERAL.—Subpart D of part IV of sub-  
4 chapter A of chapter 1 is amended by adding at the end  
5 the following new section:

6 **“SEC. 45N. INVESTMENT IN HURRICANE KATRINA DIS-**  
7 **ASTER ZONE PROPERTY.**

8 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
9 tion 38, the Hurricane Katrina Disaster Zone restoration  
10 credit determined under this section shall equal the tax-  
11 payer’s cost of Hurricane Katrina Disaster Zone property  
12 placed in service during the taxable year, multiplied by  
13 the applicable qualifying investment percentage set forth  
14 in subsection (b).

15 “(b) APPLICABLE QUALIFYING INVESTMENT PER-  
16 CENTAGE.—For purposes of subsection (a), the applicable  
17 qualifying investment percentages are:

18 “(1) 20 percent with respect to property placed  
19 in service within 12 months following the date on  
20 which the area in which such property is placed in  
21 service is declared a Hurricane Katrina Disaster  
22 Zone.

23 “(2) 15 percent with respect to property placed  
24 in service more than 12 months but within 24  
25 months following such date.

1           “(3) 10 percent with respect to property placed  
2           in service more than 24 months but within 36  
3           months following such date.

4           “(c) DEFINITIONS AND SPECIAL RULES.—For pur-  
5           poses of this section—

6           “(1) HURRICANE KATRINA DISASTER ZONE  
7           PROPERTY.—The term ‘Hurricane Katrina Disaster  
8           Zone property’ means property of a character sub-  
9           ject to the allowance for depreciation provided in  
10          section 167—

11           “(A) which is placed in service by the tax-  
12          payer in a Hurricane Katrina Disaster Zone,  
13          and

14           “(B) which replaces functionally similar  
15          property owned by such taxpayer that was dam-  
16          aged or destroyed as a result of the major dis-  
17          aster declared by the President in connect with  
18          Hurricane Katrina, regardless of whether the  
19          replacement property utilizes improved or more  
20          advanced technologies than the property being  
21          replaced, and

22           “(C) the basis of which is not taken into  
23          account for any other credit under this title.

1           “(2) HURRICANE KATRINA DISASTER ZONE.—  
2           The term ‘Hurricane Katrina Disaster Zone’ has the  
3           meaning given to such term by section 1400M(g).

4           “(3) NO REDUCTION IN BASIS.—The provisions  
5           of section 50(c) shall not apply to reduce the basis  
6           of Hurricane Katrina Disaster Zone property.”.

7           (b) ADDITIONAL CARRYBACK OF CREDIT AL-  
8           LOWED.—Section 39(a) is amended by adding at the end  
9           the following new paragraph:

10           “(4) 3-YEAR CARRYBACK FOR HURRICANE  
11           KATRINA DISASTER ZONE RESTORATION CREDIT.—  
12           Notwithstanding subsection (d), in the case of the  
13           Hurricane Katrina Disaster Zone restoration credit  
14           under section 45N—

15           “(A) this section shall be applied sepa-  
16           rately from the business credit (other than the  
17           Hurricane Katrina Disaster Zone restoration  
18           credit), and

19           “(B) paragraph (1) shall be applied by  
20           substituting ‘3 taxable years’ for ‘1 taxable  
21           year’ in subparagraph (A) thereof.”.

22           (c) CREDIT ALLOWED AGAINST REGULAR AND MIN-  
23           IMUM TAX.—Section 38(c)(4)(B) is amended by striking  
24           the period at the end of clause (ii)(II) and inserting “,  
25           and” and by adding at the end the following new clause:

1                   “(iii) the credit determined under sec-  
2                   tion 45N.”.

3           (d) CONFORMING AMENDMENTS.—Subsection (b) of  
4 section 38 is amended by striking “and” at the end of  
5 paragraph (25), by striking the period at the end of para-  
6 graph (26) and inserting “, and” by adding at the end  
7 the following new paragraph:

8                   “(27) the Hurricane Katrina Disaster Zone res-  
9                   toration credit determined under section 45N.”.

10          (e) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to amounts paid or incurred after  
12 the date of the enactment of this Act with respect to prop-  
13 erty placed in service after such date and before January  
14 1, 2008.

15 **SEC. 747. 5-YEAR CARRYBACK OF NET OPERATING LOSSES**  
16 **AND TEMPORARY SUSPENSION OF 90 PER-**  
17 **CENT AMT LIMIT FOR BUSINESSES IN HURRI-**  
18 **CANE KATRINA DISASTER ZONE.**

19          (a) IN GENERAL.—Section 172(b)(1)(H) is amended  
20 by striking “during 2001 or 2002” and inserting “during  
21 2005 or 2006 arising from the trade or business of any  
22 taxpayer located in the Hurricane Katrina Disaster Zone  
23 (as defined in section 1400M(g))”.

24          (b) TEMPORARY SUSPENSION.—Section  
25 56(d)(1)(A)(ii)(I) is amended—

1           (1) by striking “during 2001 or 2002” and in-  
 2           serting “during 2005 or 2006 arising from the trade  
 3           or business of any taxpayer located in the Hurricane  
 4           Katrina Disaster Zone (as defined in section  
 5           1400M(g))”, and

6           (2) by striking “during 2001 and 2002” and in-  
 7           serting “during 2005 and 2006 arising from the  
 8           trade or business of any taxpayer located in the  
 9           Hurricane Katrina Disaster Zone (as defined in sec-  
 10          tion 1400M(g))”.

11          (c) EFFECTIVE DATES.—

12           (1) IN GENERAL.—Except as provided in para-  
 13           graph (2), the amendment made by this section shall  
 14           apply to net operating losses for taxable years end-  
 15           ing after December 31, 2004.

16           (2) TEMPORARY SUSPENSION.—The amend-  
 17           ments made by subsection (b) shall apply to taxable  
 18           years ending before January 1, 2007.

19          **SEC. 748. ALLOWANCE OF INCOME TAX CREDIT TO SMALL**  
 20                                   **BUSINESSES WHOSE OPERATIONS WERE SIG-**  
 21                                   **NIFICANTLY INTERRUPTED BY HURRICANE**  
 22                                   **KATRINA.**

23          (a) ALLOWANCE OF CREDIT.—

24           (1) IN GENERAL.—In the case of an eligible  
 25           small employer, there shall be allowed as a credit

1 against the tax imposed by subtitle A of the Internal  
2 Revenue Code of 1986 for any taxable year of the  
3 taxpayer which includes August 28 of 2005, 2006,  
4 or 2007, an amount equal to the lesser of—

5 (A) \$1,000 multiplied by the number of el-  
6 igible employees of the employer, or

7 (B) \$100,000.

8 (2) TREATMENT OF CREDIT.—For purposes of  
9 the Internal Revenue Code of 1986, except as other-  
10 wise provided in this section, any credit allowed  
11 under this section shall be treated in the same man-  
12 ner as a credit allowed under subpart B of part IV  
13 of subchapter A of chapter 1 of such Code.

14 (b) LIMITATION BASED ON AMOUNT OF TAX.—

15 (1) IN GENERAL.—The credit allowed by sub-  
16 section (a) for any taxable year shall not exceed the  
17 sum of—

18 (A) the regular tax for the taxable year re-  
19 duced by the sum of the credits allowed under  
20 subparts A and B of part IV of subchapter A  
21 of chapter 1 of the Internal Revenue Code of  
22 1986, plus

23 (B) the tax imposed by section 55(a) of  
24 such Code for the taxable year.

1           (2) UNLIMITED CARRYFORWARD OF CREDIT.—

2           If the amount of the credit allowable under sub-  
3           section (a) for any taxable year exceeds the limita-  
4           tion under paragraph (1), such excess shall be treat-  
5           ed as a carryover to all succeeding taxable years  
6           and, subject to the limitation under paragraph (1),  
7           shall be added to the credits allowed by subpart B  
8           of part IV of subchapter A of chapter 1 of such  
9           Code for any such succeeding taxable year.

10          (c) ELIGIBLE SMALL EMPLOYER AND EMPLOYEE

11         DEFINED.—For purposes of this section—

12                 (1) ELIGIBLE SMALL EMPLOYER.—

13                         (A) IN GENERAL.—The term “eligible  
14                         small employer” means an employer which—

15                                 (i) was engaged in the active conduct  
16                                 of a trade or business in a Hurricane  
17                                 Katrina disaster area on August 28, 2005,

18                                 (ii) employed an average of more than  
19                                 1 but less than 300 employees on business  
20                                 days during the 1-year period ending on  
21                                 such date (or, if shorter, the period of its  
22                                 existence) whose principal place of employ-  
23                                 ment was in such an area,

24                                 (iii) meets the business interruption  
25                                 test of subparagraph (B). and

1 (iv) has resumed in a Hurricane  
2 Katrina disaster area substantially all of  
3 the operations of the trade or business de-  
4 scribed in paragraph (1) on or before De-  
5 cember 31, 2006.

6 (B) BUSINESS INTERRUPTION TEST.—An  
7 employer meets the requirements of this sub-  
8 paragraph if—

9 (i) the employer is required to sus-  
10 pend all or part of the active conduct of a  
11 trade or business described in subpara-  
12 graph (A)(i) by reason of Hurricane  
13 Katrina, and

14 (ii) the gross receipts of such em-  
15 ployer from the active conduct of the trade  
16 or business for the taxable year are at  
17 least 20 percent less than the gross re-  
18 ceipts for the preceding taxable year (or if  
19 the business was not in existence for all or  
20 a portion of the preceding taxable year, at  
21 least 20 percent less than the gross re-  
22 ceipts which could have been reasonably  
23 been expected to receive based on the gross  
24 receipts of the trade or business during its  
25 existence).



1           (2) ELIGIBLE EMPLOYEE.—The term “eligible  
2 employee” means an employee of an employer—

3           (A) who is employed in the active conduct  
4 of the trade or business described in paragraph  
5 (1)(A)(i) on the date substantially all of the op-  
6 erations of such trade or business were re-  
7 sumed, and

8           (B) whose principal place of employment is  
9 in a Hurricane Katrina disaster area.

10 For purposes of subsection (a)(1)(A), the number of  
11 eligible employees with respect to any trade or busi-  
12 ness shall not exceed the average number of employ-  
13 ees described in paragraph (1)(A)(ii).

14       (d) DEFINITIONS AND SPECIAL RULES.—For pur-  
15 poses of this section—

16           (1) HURRICANE KATRINA DISASTER AREA.—

17 The term “Hurricane Katrina disaster area” means  
18 an area—

19           (A) with respect to which a major disaster  
20 has been declared by the President before Sep-  
21 tember 14, 2005, under section 401 of the Rob-  
22 ert T. Stafford Disaster Relief and Emergency  
23 Assistance Act in connection with Hurricane  
24 Katrina, and

1 (B) which is determined by the President  
2 before such date to warrant individual assist-  
3 ance, or individual and public assistance, from  
4 the Federal Government under such Act.

5 (2) AGGREGATION RULE.—All employers treat-  
6 ed as a single employer under subsections (a) or (b)  
7 of section 52 of the Internal Revenue Code of 1986  
8 shall be treated as 1 employer.

9 (3) APPLICATION OF DOLLAR LIMIT.—The  
10 \$100,000 limit under subsection (a) (1)(B) shall—

11 (A) in the case of employers aggregated  
12 under paragraph (2), be allocated in such man-  
13 ner as such employers provide,

14 (B) in the case of a partnership, S cor-  
15 poration, trust, or other passthru entity, be ap-  
16 plied at both the entity and the partner, share-  
17 holder, beneficiary, or other beneficial owner  
18 level, and

19 (C) in the case of a taxpayer operating  
20 more than 1 trade or business, apply on an ag-  
21 gregate base to all such trades or businesses.

22 (4) GROSS RECEIPTS.—Rules similar to the  
23 rules of subparagraphs (B), (C), and (D) of section  
24 448(c)(3) of such Code shall apply in determining  
25 gross receipts for any period.

1 (e) TREATMENT OF PERSONS NOT ABLE TO USE  
2 ENTIRE CREDIT.—

3 (1) IN GENERAL.—A taxpayer may transfer any  
4 credit allowed under subsection (a) through an as-  
5 signment to any other person . Such transfer may  
6 be revoked only with the consent of the Secretary of  
7 the Treasury.

8 (2) REGULATIONS.—The Secretary of the  
9 Treasury shall prescribe such regulations as nec-  
10 essary to ensure that any credit described in para-  
11 graph (1) is claimed once and not reassigned by  
12 such other person.

13 (3) SATISFACTION OF COMMUNITY REINVEST-  
14 MENT ACT REQUIREMENTS.—A financial institution  
15 that purchases any credit under paragraph (1) shall  
16 be considered, for purposes of an evaluation under  
17 section 804 of the Community Reinvestment Act of  
18 1977 (12 U.S.C. 2903), to be meeting the credit  
19 needs of its entire community, including low- and  
20 moderate-income neighborhoods.

21 **SEC. 749. HOME PURCHASE BY VICTIMS OF HURRICANE**  
22 **KATRINA.**

23 (a) IN GENERAL.—Subpart A of part IV of sub-  
24 chapter A of chapter 1 (relating to nonrefundable personal

1 credits) is amended by inserting after section 25D the fol-  
2 lowing new section:

3 **“SEC. 25E. HOME PURCHASE BY INDIVIDUALS DISPLACED**  
4 **BY HURRICANE KATRINA.**

5 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
6 gible homebuyer who purchases a principal residence in  
7 a Hurricane Katrina Disaster Zone, there shall be allowed  
8 as a credit against the tax imposed by this chapter for  
9 the taxable year an amount equal to so much of the pur-  
10 chase price of the residence as does not exceed \$50,000.

11 “(b) LIMITATION BASED ON MODIFIED ADJUSTED  
12 GROSS INCOME.—

13 “(1) IN GENERAL.—The amount allowable as a  
14 credit under subsection (a) (determined without re-  
15 gard to this subsection and subsection (d)) for the  
16 taxable year shall be reduced (but not below zero) by  
17 the amount which bears the same ratio to the credit  
18 so allowable as—

19 “(A) the excess (if any) of—

20 “(i) the taxpayer’s modified adjusted  
21 gross income for such taxable year, over

22 “(ii) \$70,000 (\$110,000 in the case of  
23 a joint return), bears to

24 “(B) \$20,000.

1           “(2) MODIFIED ADJUSTED GROSS INCOME.—  
2           For purposes of paragraph (1), the term ‘modified  
3           adjusted gross income’ means the adjusted gross in-  
4           come of the taxpayer for the taxable year increased  
5           by any amount excluded from gross income under  
6           section 911, 931, or 933.

7           “(c) ELIGIBLE HOMEBUYER.—For purposes of this  
8           section—

9           “(1) IN GENERAL.—The term ‘eligible home-  
10          buyer’ means any individual if—

11           “(A) on August 29, 2005, the principal  
12          place of abode of such individual (and if mar-  
13          ried, such individual’s spouse) was located in a  
14          Hurricane Katrina Disaster Zone, and such  
15          principal place of abode was rendered uninhab-  
16          itable by Hurricane Katrina, and

17           “(B) the principal residence for which the  
18          credit is allowed under subsection (a) is located  
19          in the same State as such principal place of  
20          abode.

21           “(2) ONE-TIME ONLY.—If an individual is al-  
22          lowed a credit under this section with respect to any  
23          principal residence, such individual may not be al-  
24          lowed a credit under this section with respect to any  
25          other principal residence.

1           “(3) PRINCIPAL RESIDENCE.—The term ‘prin-  
2           cipal residence’ has the same meaning as when used  
3           in section 121.

4           “(d) APPLICATION WITH OTHER CREDITS.—The  
5           credit allowed under subsection (a) for any taxable year  
6           shall not exceed the excess (if any) of—

7                 “(1) the sum of the regular tax for the taxable  
8                 year and the tentative minimum tax for the taxable  
9                 year, over

10                “(2) the sum of the credits allowable under this  
11                subpart and sections 27, 29, and 30.

12           “(e) CARRYOVER OF CREDIT.—If the credit allowable  
13           under subsection (a) exceeds the limitation imposed by  
14           section 26(a) for such taxable year reduced by the sum  
15           of the credits allowable under this subpart (other than this  
16           section and sections 23, 24, 25B, and 1400C) such excess  
17           shall be carried to the succeeding taxable year and added  
18           to the credit allowable under subsection (a) for such tax-  
19           able year.

20           “(f) OTHER DEFINITIONS AND SPECIAL RULES.—  
21           For purposes of this section—

22                 “(1) HURRICANE KATRINA DISASTER ZONE.—  
23                 The term ‘Hurricane Katrina Disaster Zone’ has the  
24                 meaning given to such term by section 1400M(g).

25                 “(2) ALLOCATION OF DOLLAR LIMITATION.—

1           “(A) MARRIED INDIVIDUALS FILING SEPA-  
2           RATELY.—In the case of a married individual  
3           filing a separate return, subsection (a) shall be  
4           applied by substituting ‘\$25,000’ for ‘\$50,000’.

5           “(B) OTHER TAXPAYERS.—If 2 or more  
6           individuals who are not married purchase a  
7           principal residence, the amount of the credit al-  
8           lowed under subsection (a) shall be allocated  
9           among such individuals in such manner as the  
10          Secretary may prescribe, except that the total  
11          amount of the credits allowed to all such indi-  
12          viduals shall not exceed \$50,000.

13          “(3) PURCHASE.—

14                 “(A) IN GENERAL.—The term ‘purchase’  
15                 means any acquisition, but only if—

16                         “(i) the property is not acquired from  
17                         a person whose relationship to the person  
18                         acquiring it would result in the disallow-  
19                         ance of losses under section 267 or 707(b)  
20                         (but, in applying section 267(b) and (c) for  
21                         purposes of this section, paragraph (4) of  
22                         section 267(c) shall be treated as providing  
23                         that the family of an individual shall in-  
24                         clude only his spouse, ancestors, and lineal  
25                         descendants), and

1           “(ii) the basis of the property in the  
2           hands of the person acquiring it is not de-  
3           termined—

4                   “(I) in whole or in part by ref-  
5                   erence to the adjusted basis of such  
6                   property in the hands of the person  
7                   from whom acquired, or

8                           “(II) under section 1014(a) (re-  
9                           lating to property acquired from a de-  
10                           cedent).

11                   “(B) CONSTRUCTION.—A residence which  
12                   is constructed by the taxpayer shall be treated  
13                   as purchased by the taxpayer on the date the  
14                   taxpayer first occupies such residence.

15                   “(4) PURCHASE PRICE.—The term ‘purchase  
16                   price’ means the adjusted basis of the principal resi-  
17                   dence on the date such residence is purchased.

18                   “(g) REPORTING.—If the Secretary requires informa-  
19                   tion reporting under section 6045 by a person described  
20                   in subsection (e)(2) thereof to verify the eligibility of tax-  
21                   payers for the credit allowable by this section, the excep-  
22                   tion provided by section 6045(e)(5) shall not apply.

23                   “(h) BASIS ADJUSTMENT.—For purposes of this sub-  
24                   title, if a credit is allowed under this section with respect  
25                   to the purchase of any residence, the basis of such resi-



1 dence shall be reduced by the amount of the credit so al-  
2 lowed.

3 “(i) TREATMENT OF PERSONS NOT ABLE TO USE  
4 ENTIRE CREDIT.—

5 “(1) IN GENERAL.—A taxpayer may transfer  
6 any credit allowed under subsection (a) through an  
7 assignment to any other person . Such transfer may  
8 be revoked only with the consent of the Secretary of  
9 the Treasury.

10 “(2) REGULATIONS.—The Secretary of the  
11 Treasury shall prescribe such regulations as nec-  
12 essary to ensure that any credit described in para-  
13 graph (1) is claimed once and not reassigned by  
14 such other person.

15 “(3) SATISFACTION OF COMMUNITY REINVEST-  
16 MENT ACT REQUIREMENTS.—A financial institution  
17 that purchases any credit under paragraph (1) shall  
18 be considered, for purposes of an evaluation under  
19 section 804 of the Community Reinvestment Act of  
20 1977 (12 U.S.C. 2903), to be meeting the credit  
21 needs of its entire community, including low- and  
22 moderate-income neighborhoods.

23 “(j) APPLICATION OF SECTION.—This section shall  
24 apply to property purchased after August 28, 2005, and  
25 before January 1, 2007.”.

1 (b) CONFORMING AMENDMENT.—Section 1016(a) of  
2 such Code is amended by striking “and” at the end of  
3 paragraph (36), by striking the period at the end of para-  
4 graph (37) and inserting “, and”, and by adding at the  
5 end the following new paragraph:

6 “(38) to the extent provided in section  
7 25E(h).”.

8 (c) CLERICAL AMENDMENT.—The table of sections  
9 for subpart A of part IV of subchapter A of chapter 1  
10 of such Code is amended by inserting after the item relat-  
11 ing to section 25D the following new item:

“Sec. 25E. Home purchase by individuals displaced by Hurricane  
Katrina.”.

12 (d) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to taxable years ending after the  
14 date of the enactment of this Act.

15 **SEC. 750. EXPEDITED REFUND CLAIMS.**

16 The Commissioner of Internal Revenue shall establish  
17 a special office to expedite any refund claims resulting  
18 from the provisions of, and amendments made by, this  
19 Act.

1 **SEC. 751. APPLICATION OF NEW MARKET TAX CREDIT TO**  
2 **INVESTMENTS IN COMMUNITY DEVELOP-**  
3 **MENT ENTITIES SERVING AREAS AFFECTED**  
4 **BY HURRICANE KATRINA.**

5 (a) IN GENERAL.—Subsection (e) of section 45D is  
6 amended by adding at the end the following new para-  
7 graph:

8 “(6) AREAS AFFECTED BY HURRICANE  
9 KATRINA.—The term ‘low-income community’ shall  
10 include any Hurricane Katrina Disaster Zone (as  
11 defined in section 1400M(g)).”.

12 (b) INCREASE IN NATIONAL LIMITATION.—Para-  
13 graph (1) of section 45D(f) is amended by striking sub-  
14 paragraphs (C) and (D) and inserting after subparagraph  
15 (B) the following new subparagraphs:

16 “(C) \$6,000,000,000 for 2005, of which  
17 \$4,000,000,000 is allocated among qualified  
18 community development entities to make quali-  
19 fied low-income community investments within  
20 a low-income community described in subsection  
21 (e)(6), and

22 “(D) \$6,500,000,000 for 2006 and 2007,  
23 of which \$3,000,000,000 for each year is allo-  
24 cated among qualified community development  
25 entities to make qualified low-income commu-

1           nity investments within a low-income commu-  
2           nity described in subsection (e)(6).”.

3           (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to investments made after August  
5 29, 2005.

6 **SEC. 752. MODIFICATIONS TO LOW-INCOME HOUSING**  
7           **CREDIT.**

8           (a) MODIFICATION OF CREDIT ALLOCATION.—In the  
9 case of the State of Louisiana—

10           (1) section 42(h)(2)(C)(ii)(I) of the Internal  
11 Revenue Code of 1986 (relating to State housing  
12 credit ceiling) shall be applied by substituting  
13 “\$3.70” for “\$1.75” for calendar years 2006 and  
14 2007, and

15           (2) section 42(h)(2)(D)(i) of such Code (relat-  
16 ing to unused housing credit carryovers allocated  
17 among certain States) shall not apply to the State’s  
18 unused housing credit carryover for calendar year  
19 2006.

20           (b) MODIFICATION OF QUALIFIED LOW-INCOME  
21 HOUSING PROJECT.—

22           (1) IN GENERAL.—In determining if any  
23 project for residential rental property located in any  
24 Hurricane Katrina disaster area (as defined in sec-  
25 tion 700A) in the State of Louisiana and placed in

1 service after the date of the enactment of this Act  
2 in any taxable year beginning in 2005, 2006, or  
3 2007, is a qualified low-income housing property  
4 under section 42(g)(1) of the Internal Revenue Code  
5 of 1986, such section shall be applied by allowing  
6 the taxpayer to elect to meet the requirements of  
7 paragraph (2).

8 (2) 60-80 TEST.—A project described in para-  
9 graph (1) meets the requirements of this paragraph  
10 if 60 percent or more of the residential units in such  
11 project are both rent-restricted and occupied by indi-  
12 viduals whose income is 80 percent or less of area  
13 median income.

14 (c) MODIFICATION OF HIGH COST AREA DETER-  
15 MINATION.—In the case of any building located in any  
16 Hurricane Katrina disaster area (as defined in section  
17 700A) in the State of Louisiana and placed in service after  
18 the date of the enactment of this Act in any taxable year  
19 beginning in 2005, 2006, or 2007, section 42(d)(5)(C)  
20 shall apply by substituting “not less than 130 percent nor  
21 more than 200 percent (as determined under section  
22 42(m)(2) by the housing credit agency)” for “130 per-  
23 cent”.

24 (d) AUTHORIZATION OF REGULATIONS FOR LIHTC  
25 PROPERTIES FINANCED WITH BONDS.—Section 142(d)

1 (relating to qualified residential rental project) is amended  
2 by adding at the end the following new paragraph:

3 “(8) REGULATIONS.—The Secretary shall pre-  
4 scribe such regulations as may be necessary or ap-  
5 propriate to carry out the purposes of this sub-  
6 section, including regulations—

7 “(A) dealing with—

8 “(i) projects which include more than  
9 1 building or only a portion of a building,

10 “(ii) buildings which are placed in  
11 service in portions,

12 “(B) providing for the application of this  
13 subsection to short taxable years,

14 “(C) preventing the avoidance of the rules  
15 of this subsection, and

16 “(D) providing the opportunity for housing  
17 credit agencies to correct administrative errors  
18 and omissions with respect to allocations and  
19 record keeping within a reasonable period after  
20 their discovery, taking into account the avail-  
21 ability of regulations and other administrative  
22 guidance from the Secretary.”.

1 **SEC. 753. ESTATE TAX RELIEF FOR HURRICANE KATRINA**  
2 **VICTIMS.**

3 (a) IN GENERAL.—Subsection (b) of section 2201 is  
4 amended by striking “and” at the end of paragraph (2),  
5 by striking the period at the end of paragraph (3) and  
6 inserting “, and”, and by adding at the end the following  
7 new paragraph::

8 “(4) any specified Hurricane Katrina victim.”.

9 (b) SPECIFIED HURRICANE KATRINA VICTIM.—Sec-  
10 tion 2201 is amended by adding at the end the following  
11 new subsection:

12 “(e) SPECIFIED HURRICANE KATRINA VICTIM.—For  
13 purposes of this section, the term ‘specified Hurricane  
14 Katrina victim’ means any decedent who dies in a Hurri-  
15 cane Katrina Disaster Zone (as defined in section  
16 1400M(g)) as a result of wounds, injury, or illness, or the  
17 inability to obtain treatment for an existing illness by rea-  
18 son of Hurricane Katrina.”.

19 (c) CLERICAL AMENDMENTS.—

20 (1) The heading of section 2201 is amended by  
21 striking “**AND DEATHS OF VICTIMS OF CERTAIN**  
22 **TERRORIST ATTACKS**” and inserting “**DEATHS**  
23 **OF VICTIMS OF CERTAIN TERRORIST ATTACKS,**  
24 **AND DEATHS OF VICTIMS OF HURRICANE**  
25 **KATRINA**”.

1           (2) The item relating to section 2201 in the  
 2 table of sections for subchapter C of chapter 11 is  
 3 amended by striking “and deaths of victims of cer-  
 4 tain terrorist attacks” and inserting “deaths of vic-  
 5 tims of certain terrorist attacks, and deaths of vic-  
 6 tims of Hurricane Katrina”.

7           (d) EFFECTIVE DATE.—The amendments made by  
 8 this section shall apply to estates of decedents dying on  
 9 or after August 29, 2005.

10 **SEC. 754. ISSUANCE OF GULF OPPORTUNITY BONDS.**

11           Section 3105 of title 31, United States Code, is  
 12 amended by adding at the end the following new sub-  
 13 section:

14           “(f) The Secretary may designate one or more series  
 15 of bonds or certificates (or any portion thereof) under this  
 16 section as ‘Gulf Opportunity Bonds’ in response to the  
 17 devastation of Hurricane Katrina on August 28, 2005.”.

18 **TITLE VIII—LAW ENFORCEMENT**  
 19 **IMPROVEMENTS**

20 **SEC. 801. DEFINITION OF UNITS OF LOCAL GOVERNMENT.**

21           For the purposes of eligibility for grant programs ad-  
 22 ministered by the Department of Justice and Department  
 23 of Homeland Security in the State of Louisiana, parish  
 24 Sheriffs or District Attorneys are to be considered the unit  
 25 of local government.



1 **SEC. 802. SPECIAL INSPECTOR GENERAL FOR RELIEF AND**  
2 **RECONSTRUCTION.**

3 (a) **SHORT TITLE.**—This section may be cited as the  
4 “Special Inspector General for Relief and Reconstruction  
5 Act of 2005”.

6 (b) **REDESIGNATION.**—(1) Section 3001 of the Emer-  
7 gency Supplemental Appropriations Act for Defense and  
8 for the Reconstruction of Iraq and Afghanistan, 2004  
9 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3  
10 section 8G note) is amended—

11 (A) in subsection (b), by striking “Office of the  
12 Special Inspector General for Iraq Reconstruction”  
13 and inserting “Office of the Special Inspector Gen-  
14 eral for Relief and Reconstruction”; and

15 (B) in subsection (c)(1), by striking all after  
16 “The head of the Office of the Special Inspector  
17 General” and inserting “for Relief and Reconstruc-  
18 tion is the Special Inspector General for Relief and  
19 Reconstruction (in this section referred to as the ‘In-  
20 spector General’). If a vacancy occurs after the serv-  
21 ice of the individual as provided under subsection (b)  
22 of the Special Inspector General for Relief and Re-  
23 construction Act of 2005, the Inspector General  
24 shall be appointed by the Director of the Office of  
25 Management and Budget.”.



1           (2) in paragraph (3), by striking “the Secretary  
2           of State and the Secretary of Defense” and inserting  
3           “the Secretary of State, the Secretary of Homeland  
4           Security, the Secretary of Defense, and the heads of  
5           other Federal agencies, as appropriate,”.

6           (e) RESPONSIBILITIES OF ASSISTANT INSPECTOR  
7           GENERAL FOR AUDITING.—Subsection (d) of such section  
8           is amended to read as follows:

9           “(d) ASSISTANT INSPECTORS GENERAL.—(1) The  
10          Inspector General shall, in accordance with applicable laws  
11          and regulations governing the civil service—

12                 “(A) appoint 1 or more Assistant Inspectors  
13          General for Auditing who shall have the responsi-  
14          bility for supervising the performance of auditing ac-  
15          tivities relating to—

16                         “(i) programs and operations supported by  
17                         the Iraq Relief and Reconstruction Fund; and

18                         “(ii) programs and operations relating to  
19                         Hurricane Katrina recovery activities; and

20                 “(B) appoint 1 or more Assistant Inspectors  
21          General for Investigations who shall have the re-  
22          sponsibility for supervising the performance of inves-  
23          tigative activities relating to such programs and op-  
24          erations.”.

1 (f) SUPERVISION.—Such section is further amend-  
2 ed—

3 (1) in subsection (e)—

4 (A) in paragraph (1), by striking “the Sec-  
5 retary of State and the Secretary of Defense”  
6 and inserting “the Director of the Office of  
7 Management and Budget, the Secretary of  
8 State, and the Secretary of Defense”; and

9 (B) in paragraph (2)—

10 (i) by striking “Department of De-  
11 fense, the Department of State, or the  
12 United States Agency for International  
13 Development” and inserting “Federal Gov-  
14 ernment”; and

15 (ii) by inserting “and Hurricane  
16 Katrina recovery activities” after “Iraq  
17 Relief and Reconstruction Fund”;

18 (2) in subsection (f)—

19 (A) in paragraph (1)—

20 (i) by inserting “(A)” after “(1)”;

21 (ii) by redesignating subparagraphs  
22 (A) through (E) as clauses (i) through (v),  
23 respectively; and

24 (iii) by adding at the end the fol-  
25 lowing:

1           “(B) It shall be the duty of the Inspector  
2           General to conduct and coordinate audits and  
3           investigations of the treatment, handling, and  
4           expenditure of amounts appropriated or other-  
5           wise made available for Hurricane Katrina re-  
6           covery by the Federal Government, and of the  
7           programs, operations, and contracts carried out  
8           utilizing such funds, including—

9                   “(i) the oversight and accounting of  
10                  the obligation and expenditure of such  
11                  funds;

12                  “(ii) the monitoring and review of re-  
13                  construction activities funded by such  
14                  funds;

15                  “(iii) the monitoring and review of  
16                  contracts funded by such funds;

17                  “(iv) the monitoring and review of the  
18                  transfer of such funds and associated in-  
19                  formation between and among depart-  
20                  ments, agencies, and entities of the United  
21                  States, State and local governments, and  
22                  private and nongovernmental entities;

23                  “(v) the maintenance of records on  
24                  the use of such funds to facilitate future

1 audits and investigations of the use of such  
2 funds; and

3 “(vi) the monitoring of Federal grants  
4 and benefit programs.”; and

5 (B) in paragraph (4)—

6 (i) by inserting “(A)” after “(4)”;

7 (ii) by striking all after “cooperation  
8 of” and inserting “the inspectors general  
9 and auditing entities of all other Federal  
10 departments and agencies, and State and  
11 local government entities.”; and

12 (iii) by adding at the end the fol-  
13 lowing:

14 “(B)(i) The Inspector General shall en-  
15 sure, to the greatest extent possible, that the  
16 activities of the Inspector General do not dupli-  
17 cate audits and investigations of inspectors gen-  
18 eral and other auditors of Federal departments  
19 and agencies, and State and local government  
20 entities.

21 “(ii) The Inspector General shall notify the  
22 inspector general of the relevant agency or de-  
23 partment before initiating an audit or investiga-  
24 tion relating to Hurricane Katrina activities.

1           “(iii) Nothing in this section shall be con-  
2           strued to limit the statutory authority of inspec-  
3           tors general to conduct audits or investigations  
4           relating to Hurricane Katrina activities.”;

5           (3) in subsection (h)(4)(B), by striking “Sec-  
6           retary of State or Secretary of Defense” and insert-  
7           ing “Director of the Office of Management and  
8           Budget and heads of relevant agencies”; and

9           (4) in subsection (h)(5)—

10           (A) by inserting “(A)” after “(5)”;

11           (B) by inserting “for activities relating to  
12           Iraq” after “operation of such offices”; and

13           (C) by adding at the end the following:

14           “(B) The Secretary of Homeland Security  
15           shall provide the Inspector General with appro-  
16           priate and adequate office space, together with  
17           such equipment, office supplies, and commu-  
18           nications facilities and services as may be nec-  
19           essary for the operations of such offices for ac-  
20           tivities relating to Hurricane Katrina, and shall  
21           provide necessary maintenance services for such  
22           offices and equipment and facilities located  
23           therein.”.

1 (g) REPORTS RELATING TO THE IRAQI RELIEF AND  
2 RECONSTRUCTION.—Subsection (i) of such section is  
3 amended by adding at the end the following:

4 “(7)(A) The Inspector General shall also submit  
5 each report under this subsection to the Secretary of  
6 State and the Secretary of Defense.

7 “(B)(i) Not later than 30 days after receipt of  
8 a report under subparagraph (A), the Secretary of  
9 State and the Secretary of Defense may submit to  
10 the appropriate committees of Congress any com-  
11 ments on the matters covered by the report as the  
12 Secretary of State or the Secretary of Defense, as  
13 the case may be, considers appropriate.

14 “(ii) A report under this subparagraph may in-  
15 clude a classified annex if the Secretary of State or  
16 the Secretary of Defense, as the case may be, con-  
17 siders it necessary.”.

18 (h) REPORTS RELATING TO HURRICANE KATRINA  
19 RELIEF AND RECONSTRUCTION.—Subsection (j) of such  
20 section is amended to read as follows:

21 “(j) REPORTS RELATING TO HURRICANE KATRINA  
22 RELIEF AND RECONSTRUCTION.—(1)(A) At the end of  
23 each calendar quarter, beginning with the first full quarter  
24 after the date of enactment of the Special Inspector Gen-  
25 eral for Relief and Reconstruction Act of 2005, the Inspec-



1 tor General shall submit to the appropriate committees of  
2 Congress a report summarizing for the period of that  
3 quarter the activities of the Inspector General and of the  
4 Hurricane Katrina recovery activities of the Federal Gov-  
5 ernment. Each report shall include, for the period covered  
6 by such report, a detailed statement of all obligations, ex-  
7 penditures, and revenues associated with recovery activi-  
8 ties for Hurricane Katrina, including the following:

9           “(i) Obligations and expenditures of appro-  
10           priated funds.

11           “(ii) Accounting of the costs incurred to date  
12           for Hurricane Katrina recovery, together with the  
13           estimate of the Federal Government’s costs to com-  
14           plete each project and each program.

15           “(iii) Operating expenses of any Federal de-  
16           partments, agencies, or entities receiving appro-  
17           priated funds for Hurricane Katrina recovery activi-  
18           ties.

19           “(iv) In the case of any contract described in  
20           paragraph (2)—

21                   “(I) the amount of the contract or other  
22                   agreement;

23                   “(II) a brief discussion of the scope of the  
24                   contract or other agreement;

1           “(III) a discussion of how the contracting  
2           department or agency identified, and solicited  
3           offers from, potential contractors to perform  
4           the contract, together with a list of the poten-  
5           tial contractors that were issued solicitations  
6           for the offers; and

7           “(IV) the justification and approval docu-  
8           ments on which was based the determination to  
9           use procedures other than procedures that pro-  
10          vide for full and open competition.

11          “(B) The first quarterly report required to be sub-  
12          mitted under subparagraph (A) shall also summarize ac-  
13          tivities for Hurricane Katrina recovery undertaken before  
14          that quarter.

15          “(2) A contract described in this paragraph is any  
16          major contract or other agreement that is entered into by  
17          any department or agency of the United States Govern-  
18          ment that involves the use of amounts appropriated or  
19          otherwise made available for Hurricane Katrina recovery  
20          with any public or private sector entity.

21          “(3) Not later than 45 days after the date of enact-  
22          ment of the Special Inspector General for Relief and Re-  
23          construction Act of 2005, the Inspector General shall sub-  
24          mit to the appropriate committees of Congress an interim  
25          report on the status of Hurricane Katrina recovery activi-

1 ties of the Federal Government. The interim report shall  
2 include the following:

3           “(A) The operational activities of the Office of  
4 the Special Inspector General for Relief and Recon-  
5 struction.

6           “(B) The status of auditors and investigators  
7 deployed to the Gulf of Mexico region of the United  
8 States.

9           “(C) A strategic plan for oversight, including  
10 audits of no bid contracts.

11           “(D) Vulnerabilities identified and immediate  
12 actions to address such vulnerabilities.

13           “(E) Measures taken to coordinate interagency  
14 oversight elements.

15           “(4) Not later than March 31, 2006, and semiannu-  
16 ally thereafter, the Inspector General shall submit to the  
17 appropriate committees of Congress a report meeting the  
18 requirements of section 5 of the Inspector General Act of  
19 1978 (5 U.S.C. App.).

20           “(5) The Inspector General shall publish each report  
21 under this subsection on an accessible Federal Govern-  
22 ment Internet Web site.

23           “(6) Nothing in this subsection shall be construed to  
24 authorize the public disclosure of information that is—

1           “(A) specifically prohibited from disclosure by  
2 any other provision of law;

3           “(B) specifically required by Executive order to  
4 be protected from disclosure in the interest of na-  
5 tional defense or national security or in the conduct  
6 of foreign affairs; or

7           “(C) a part of an ongoing criminal investiga-  
8 tion.

9           “(7)(A) The Inspector General shall also submit each  
10 report under this subsection to the Director of the Office  
11 of Management and Budget, Secretary of Defense, or  
12 heads of other appropriate agencies.

13           “(B) Not later than 30 days after receipt of a  
14 report under paragraph (1), the Director of the Of-  
15 fice of Management and Budget and the heads of  
16 other appropriate agencies may submit to the appro-  
17 priate committees of Congress any comments on the  
18 matters covered by the report as the Director of the  
19 Office of Management and Budget and heads of rel-  
20 evant agencies consider appropriate.

21           “(8) The Inspector General shall respond to any rea-  
22 sonable summons to appear and testify before any duly  
23 constituted committee of Congress.”.

24           (i) TRANSPARENCY.—Subsection (k) of such section  
25 is amended—

1           (1) in paragraph (1), by striking “subsection  
2           (i), the Secretary of State and the Secretary of De-  
3           fense shall jointly” and inserting “subsection (i) or  
4           (j), the Director of the Office of Management and  
5           Budget and the heads of the relevant departments  
6           shall”; and

7           (2) in paragraph (2), by striking “subsection  
8           (j)(2) of comments on a report under subsection (i),  
9           the Secretary of State and the Secretary of Defense  
10          shall jointly” and inserting “subsection (i)(7)(B) or  
11          (j)(7)(B) of comments on a report under subsection  
12          (i) or (j), the Director of the Office of Management  
13          and Budget and the heads of relevant departments  
14          shall”.

15          (j) WAIVER.—Subsection (l) of such section is  
16 amended—

17           (1) in paragraph (1), by inserting “or para-  
18           graph (1) or (3) of subsection (j)” after “subsection  
19           (i)”; and

20           (2) in paragraph (2), by inserting “or para-  
21           graph (1) or (3) of subsection (j)” after “subsection  
22           (i)”.

23          (k) APPROPRIATE COMMITTEES OF CONGRESS.—  
24 Subsection (m) of such section is amended—

1           (1) in paragraph (1), by striking “and Foreign  
2       Relations” and inserting “Foreign Relations, and  
3       Homeland Security and Governmental Affairs”; and

4           (2) in paragraph (2), by striking “and Inter-  
5       national Relations” and inserting “International Re-  
6       lations, and Homeland Security”.

7       (1) FUNDING.—Subsection (n) of such section is  
8       amended by adding at the end the following:

9           “(3) There are authorized to be appropriated to  
10       the Office of the Special Inspector General for Relief  
11       and Reconstruction to carry out the responsibilities  
12       of the Special Inspector General relating to Hurri-  
13       cane Katrina recovery \$80,000,000 for fiscal year  
14       2006.”.

15       (m) TERMINATION.—Subsection (o) of such section  
16       is amended to read as follows:

17       “(o) TERMINATION.—(1)(A) The responsibilities of  
18       the Office of the Special Inspector General for Relief and  
19       Reconstruction with respect to the Iraq Relief and Recon-  
20       struction Fund shall terminate on the date that is 10  
21       months after the date, as determined by the Secretary of  
22       State and Secretary of Defense, on which 80 percent of  
23       the amounts appropriated or otherwise made available to  
24       the Iraq Relief and Reconstruction Fund by chapter 2 of  
25       title II of this Act have been obligated.

1       “(B) The responsibilities of the Office of the Special  
 2 Inspector General for Relief and Reconstruction with re-  
 3 spect to Hurricane Katrina recovery activities shall termi-  
 4 nate 2 years after the date of enactment of the Special  
 5 Inspector General for Relief and Reconstruction Act of  
 6 2005.

7       “(2) The Office of the Special Inspector General for  
 8 Relief and Reconstruction shall terminate on the later date  
 9 occurring under subparagraph (A) or (B) of paragraph  
 10 (1).”.

11 **SEC. 803. GENERAL ACCOUNTABILITY OFFICE REPORT.**

12       The General Accountability Office shall track spend-  
 13 ing of money appropriated in each Hurricane Katrina  
 14 emergency supplemental appropriations and report to  
 15 Congress quarterly on how that money is spent.

16 **SEC. 804. CREATING FEDERAL CRIME OF INTERFERING**  
 17 **WITH FEDERAL DISASTER RELIEF EFFORTS.**

18       (a) IN GENERAL.—Chapter 65 of title 18, United  
 19 States Code, is amended by adding the following new sec-  
 20 tion:

21 **“§ 1370. Interference with Federal disaster relief ef-**  
 22 **forts**

23       “(a) PROHIBITED CONDUCT.—Whoever, during a  
 24 presidentially-declared major disaster or emergency—

1           “(1) forcibly assaults, resists, opposes, impedes,  
2           intimidates, or interferes with any officer or em-  
3           ployee of the United States or of any agency in any  
4           branch of the United States Government (including  
5           any member of the uniformed services) while such  
6           officer or employee is engaged in or on account of  
7           the performance of official duties relating to, or in  
8           support of recovery from, the presidentially-declared  
9           disaster or emergency, or any person assisting such  
10          an officer or employee in the performance of such  
11          duties or on account of that assistance; or

12           “(2) forcibly assaults, resists, opposes, impedes,  
13           intimidates, or interferes with any person providing  
14           services in support of disaster relief efforts and  
15           working in coordination with a Federal coordinating  
16           officer appointed pursuant to section 302, Public  
17           Law 98–288 (42 U.S.C. 5143), shall, except as pro-  
18           vided in subsection (b) of this section, be fined  
19           under this title or imprisoned not more than two  
20           years, or both.

21           “(b) ENHANCED PENALTY.—Whoever, in the com-  
22          mission of and in relation to any act described in sub-  
23          section (a) of this section, carries, possesses or uses a  
24          deadly or dangerous weapon or inflicts serious bodily in-  
25          jury, shall be fined under this title or imprisoned not more



1 than 15 years or both, or, if the death of any person re-  
2 sults, shall be punished by death or life imprisonment.”.

3 (b) CLERICAL AMENDMENT.—The table of sections  
4 at the beginning of chapter 86 of title 18, United States  
5 Code, is amended by adding at the end the following new  
6 item:

“1370. Interference with Federal disaster relief efforts.”.

7 **SEC. 805. PENALTIES FOR FRAUD.**

8 (a) IN GENERAL.—Whoever knowingly makes, or  
9 causes to be made by another, a false statement or rep-  
10 resentation of a material fact, or knowingly has failed, or  
11 caused another to fail, to disclose a material fact, and as  
12 a result of such false statement or representation or of  
13 such nondisclosure such individual has received an amount  
14 of assistance from the Federal Government under this Act  
15 to which he was not entitled, such individual—

16 (1) shall be ineligible for further assistance  
17 under this Act; and

18 (2) shall be subject to prosecution under section  
19 1370 of title 18, United States Code.

20 **SEC. 806. PROTECTING OF VOLUNTEERS.**

21 (a) QUALIFIED IMMUNITY FROM SUIT.—Any person  
22 or entity (including any Indian Tribe) that, in response  
23 to harm caused by Hurricane Katrina of 2005, voluntarily,  
24 in good faith, and without a preexisting duty or expecta-  
25 tion of compensation, renders aid (including medical treat-

1 ment and rescue assistance) to any individual, shall not  
2 be liable for any injury (including personal injury, prop-  
3 erty damage or loss, and death) arising out of or resulting  
4 from that aid that was not caused by—

5 (1) willful, wanton, reckless or criminal conduct  
6 of that person or entity; or

7 (2) conduct of that person or entity that con-  
8 stitutes a violation of a Federal or State civil rights  
9 law.

10 (b) PREEMPTION.—This section preempts the laws of  
11 a State to the extent such laws are inconsistent with this  
12 section, except that this section shall not preempt any  
13 State law that provides additional protection from liability  
14 relating to volunteers.

15 **SEC. 807. LEAVE TRANSFER PROGRAM IN DISASTERS AND**  
16 **EMERGENCIES.**

17 Section 6391 of title 5, United States Code, is  
18 amended—

19 (1) by redesignating subsection (f) as sub-  
20 section (g); and

21 (2) by inserting after subsection (e) the fol-  
22 lowing:

23 “(f) After consultation with the Administrative Office  
24 of the United States Courts, the Office of Personnel Man-  
25 agement shall provide for the participation of employees

- 1 in the judicial branch in any emergency leave transfer pro-
- 2 gram under this section.”.

○