H. R. 3660

To establish the United States Office for Contingency Operations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 14, 2011

Mr. CARNAHAN (for himself, Mr. BURTON of Indiana, Mr. CONNOLLY of Virginia, Mrs. ELLMERS, Mr. JONES, and Mr. WELCH) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Armed Services and Oversight and Government Reform, 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

A BILL

To establish the United States Office for Contingency Operations, and for other purposes.

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; TABLE OF CONTENTS.
4 (a) Short Title.—This Act may be cited as the
5 “Contingency Operations Oversight and Interagency En-
6 hancement Act of 2011”.
7 (b) Table of Contents.—The table of contents is
8 as follows:
Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Findings and purposes.
Sec. 4. Construction; severability.
Sec. 5. Effective date.

TITLE I—UNITED STATES OFFICE FOR CONTINGENCY OPERATIONS: ESTABLISHMENT, FUNCTIONS, AND PERSONNEL

Sec. 102. Transfer of authorities, functions, personnel, and assets to the Office.
Sec. 103. Responsibilities of the Director, Deputy Director, Inspector General, and other offices.
Sec. 104. Personnel system.

TITLE II—PREPARING AND EXECUTING STABILITY AND RECONSTRUCTION OPERATIONS

Sec. 201. Sole control.
Sec. 202. Relation to Department of State and United States Agency for International Development.
Sec. 203. Relation to Department of Defense combatant commands performing military missions.
Sec. 204. Contingency Federal Acquisition Regulation.
Sec. 205. Stabilization and Reconstruction Fund.

TITLE III—RESPONSIBILITIES OF THE INSPECTOR GENERAL

Sec. 301. Inspector General.

TITLE IV—RESPONSIBILITIES OF OTHER AGENCIES

Sec. 401. Responsibilities of other agencies for monitoring and evaluation requirements.
Sec. 402. Transition of stabilization and reconstruction operations.
Sec. 403. Sense of Congress.

TITLE V—AUTHORIZATION OF APPROPRIATIONS

Sec. 501. Authorization of appropriations.

1 SEC. 2. DEFINITIONS.

2 In this Act, the following definitions apply:

3 (1) Appropriate congressional committees.—The term “appropriate congressional committees” means—

4 (A) the Committees on Appropriations,

5 Armed Services, Foreign Affairs, and Oversight
and Government Reform of the House of Representatives; and

(B) the Committees on Appropriations, Armed Services, Foreign Relations, and Homeland Security and Governmental Affairs of the Senate.

(2) DIRECTOR.—The term “Director” means the Director of the United States Office for Contingency Operations.

(3) FUNCTIONS.—The term “functions” includes authorities, powers, rights, privileges, immunities, programs, projects, activities, duties, and responsibilities.

(4) IMMINENT STABILIZATION AND RECONSTRUCTION OPERATION.—The term “imminent stabilization and reconstruction operation” is a condition in a foreign country which the Director believes may require in the immediate future a response from the United States and with respect to which preparation for a stabilization and reconstruction operation is necessary.

(5) INTELLIGENCE COMMUNITY.—The term “intelligence community” has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).
(6) **OFFICE.**—The term “Office” means the United States Office for Contingency Operations.

(7) **PERSONNEL.**—The term “personnel” means officers and employees of an Executive agency, except that the term does not include members of the Armed Forces.

(8) **POTENTIAL STABILIZATION AND RECONSTRUCTION OPERATION.**—The term “potential stabilization and reconstruction operation” is a possible condition in a foreign country which in the determination of the Director may require in the immediate future a response from the United States and with respect to which preparation for a stabilization and reconstruction operation is advisable.

(9) **STABILIZATION AND RECONSTRUCTION EMERGENCY.**—The term “stabilization and reconstruction emergency” is a stabilization and reconstruction operation which is the subject of a Presidential declaration pursuant to section 103.

(10) **STABILIZATION AND RECONSTRUCTION OPERATION.**—The term “stabilization and reconstruction operation”—

(A) means a circumstance in which a combination of security, reconstruction, relief, and development services, including assistance for
the development of military and security forces
and the provision of infrastructure and essential
services (including services that might be pro-
vided under the authority of chapter 4 of part
II of the Foreign Assistance Act of 1961 (22
U.S.C. 2346 et seq.; relating to the Economic
Support Fund)), should, in the national interest
of the United States, be provided on the terri-
tory of an unstable foreign country;

(B) does not include a circumstance in
which such services should be provided pri-
marily due to a natural disaster (other than a
natural disaster of cataclysmic proportions);
and

(C) does not include intelligence activities.

(11) UNITED STATES.—The term “United
States”, when used in a geographic sense, means
any State of the United States, the District of Co-
lumbia, the Commonwealth of Puerto Rico, the Vir-
gin Islands, Guam, American Samoa, the Common-
wealth of the Northern Mariana Islands, any posses-
sion of the United States, and any waters within the
jurisdiction of the United States.

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:
(1) Responsibilities for overseas stability and reconstruction operations are divided among several agencies. As a result, lines of responsibility and accountability are not well-defined.


(3) The United States Government has not effectively or efficiently managed stabilization and reconstruction operations during recent decades.

(4) Based on trends, the United States will likely continue to find its involvement necessary in stabilization and reconstruction operations in foreign countries in the wake of violence or cataclysmic disaster.

(5) The United States has not adequately learned the lessons of its recent experiences in stabilization and reconstruction operations, and despite
efforts to improve its performance is not yet organized institutionally to respond appropriately to the need to perform stabilization and reconstruction operations in foreign countries.

(6) The failure to learn the lessons of past stabilization and reconstruction operations will lead to further inefficiencies, resulting in greater human and financial costs.

(b) PURPOSES.—The purposes of this Act are to—

(1) advance the national interest of the United States by providing an effective means to plan for and execute stabilization and reconstruction operations in foreign countries;

(2) provide for unity of command, and thus achieve unity of effort, in the planning and execution of stabilization and reconstruction operations;

(3) provide accountability for resources dedicated to stabilization and reconstruction operations;

(4) maximize the efficient use of resources, which may lead to budget savings, eliminated redundancy in functions, and improvement in the management of stabilization and reconstruction operations; and

(5) establish an entity to plan for stabilization and reconstruction operations and, when directed by
the President, coordinate and execute such operations, eventually returning responsibility for such operations to other agencies of the United States Government as the situation becomes normalized.

SEC. 4. CONSTRUCTION; SEVERABILITY.

Any provision of this Act held to be invalid or unenforceable by its terms, or as applied to any person or circumstance, shall be construed so as to give it the maximum effect permitted by law, unless such holding shall be one of utter invalidity or unenforceability, in which event such provision shall be deemed severable from this Act and shall not affect the remainder thereof, or the application of such provision to other persons not similarly situated or to other, dissimilar circumstances.

SEC. 5. EFFECTIVE DATE.

This Act shall take effect on the date that is 60 days after the date of the enactment of this Act.

TITLE I—UNITED STATES OFFICE FOR CONTINGENCY OPERATIONS: ESTABLISHMENT, FUNCTIONS, AND PERSONNEL

SEC. 101. ESTABLISHMENT OF THE UNITED STATES OFFICE FOR CONTINGENCY OPERATIONS.

There is established as an independent entity the United States Office for Contingency Operations, which
shall report to the Department of State and the Department of Defense.

SEC. 102. TRANSFER OF AUTHORITIES, FUNCTIONS, PERSONNEL, AND ASSETS TO THE OFFICE.

(a) Functions Transferred.—Not later than 90 days after the date of the enactment of this Act, there shall be transferred to the Office the functions, personnel, assets, and liabilities of—

(1) the Office of the Coordinator for Reconstruction and Stabilization of the Department of State, including the Civilian Response Corps; and

(2) the Office of Transition Initiatives of the United States Agency for International Development.

(b) Functions Transferred, in Whole or in Part.—

(1) In general.—Not later than 180 days after the date of the enactment of this Act, in addition to the functions, personnel, assets, and liabilities transferred under subsection (a), there shall be transferred, in whole or in part, to the Office, under such conditions as the Director, the Director of the Office of Management and Budget, and the Director of the Office of Personnel Management jointly pre-
scribe, the functions, personnel, assets, and liabilities
of the following:

(A) Civilian organizational entities within
the Department of Defense identified by the
Secretary of Defense as—

(i) established to implement Depart-
ment of Defense Instruction 3000.05, re-
lating to stability operations; and

(ii) not essential for combat oper-
ations.

(B) The Bureau of International Narcotics
and Law Enforcement Affairs of the Depart-
ment of State.

(C) The Office of Foreign Disaster Assist-
ance of the United States Agency for Inter-
national Development.

(D) The Office of Conflict Mitigation and
Management of the United States Agency for
International Development.

(E) The International Criminal Investigative Training Assistance Program of the De-
partment of Justice.

(F) The Department of the Treasury’s
program to provide technical assistance to for-
egn governments and foreign central banks of
developing or transitional countries authorized
under section 129 of the Foreign Assistance
Act of 1961 and the Office of Technical Assist-
ance of the Department of the Treasury that
manages such program.

(G) The Contingency Acquisition Corps of
the General Services Administration established
pursuant to section 2312 of title 41, United
States Code.

(2) REPORTS.—

(A) BEFORE THE TRANSFER.—The Direc-
tor, the Director of the Office of Management
and Budget, or the Director of the Office of
Personnel Management, as appropriate, shall,
not later than 60 days before carrying out a
transfer in accordance with paragraph (1), sub-
mit to the appropriate congressional committees
a report on the transfer.

(B) AFTER THE TRANSFER.—The Director
shall submit to the appropriate congressional
committees a report on the military and non-
military resources, capabilities, and functions
related to contingency operations of the entities
and agencies transferred pursuant to paragraph
(1). If any capabilities or functions of such enti-
ties and agencies were not so transferred, the
Director shall include in such report an expla-
nation relating to such non-transfer.

(c) Future Transfers and Restructuring.—

(1) In general.—In addition to the functions,
personnel, assets, and liabilities transferred to the
Office under subsections (a) and (b), the Director,
the Director of the Office of Management and Budg-
et, and the Director of the Office of Personnel Man-
agement may—

(A) transfer to the Office the functions,
personnel, assets, or liabilities, in whole or in
part, of any office, agency, bureau, program, or
other entity that such Directors determine ap-
propriate;

(B) transfer to the Office up to 150 skilled
Federal personnel with expertise in contingency
operations; and

(C) restructure the Office as such Direc-
tors determine appropriate to better carry out
its functions and responsibilities.

(2) Reports.—If the Director, the Director of
the Office of Management and Budget, and the Di-
rector of the Office of Personnel Management under-
take a transfer or a restructuring in accordance with
subparagraphs (A) and (B), respectively, of paragraph (1), the Director, the Director of the Office of Management and Budget, or the Director of the Office of Personnel Management, as appropriate, shall, not later than 60 days before carrying out any such transfer or restructuring, submit to the appropriate congressional committees a report on such transfer or restructuring.

SEC. 103. RESPONSIBILITIES OF THE DIRECTOR, DEPUTY DIRECTOR, INSPECTOR GENERAL, AND OTHER OFFICES.

(a) DIRECTOR.—

(1) IN GENERAL.—The Office shall be headed by a Director, who shall be—

(A) appointed by the President, by and with the advice and consent of the Senate; and

(B) compensated at the rate of basic pay for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(2) SUPERVISION.—

(A) IN GENERAL.—The Director shall report directly to, and be under the general supervision of, the Secretary of State and the Secretary of Defense. Such supervision may not be delegated.
(B) INFORMATION SHARING.—The Director shall keep the National Security Advisor fully and continually informed of the activities of the Office.

(3) FUNCTIONS.—The functions of the Director shall include the following:

(A) Monitoring, in coordination with relevant offices and bureaus of the Department of Defense, the Department of State, and the United States Agency for International Development, political and economic instability worldwide in order to anticipate the need for mobilizing United States and international assistance for the stabilization and reconstruction of a country or region that is at risk of, in, or in transition from, conflict or civil strife.

(B) Assessing the various types of stabilization and reconstruction crises that could occur and cataloging and monitoring the military and non-military resources, capabilities, and functions of agencies that are available to address such crises.

(C) Planning to address requirements, such as demobilization, disarmament, capacity building, rebuilding of civil society, policing and
security sector reform, and monitoring and strengthening respect for human rights that commonly arise in stabilization and reconstruction crises.

(D) Developing, in coordination with all relevant agencies, contingency plans and procedures to mobilize and deploy civilian and military personnel to conduct stabilization and reconstruction operations.

(E) Coordinating with counterparts in foreign governments and international and nongovernmental organizations on stabilization and reconstruction operations to improve effectiveness and avoid duplication.

(F) Building the operational readiness of the Civilian Response Corps and strengthening personnel requirements to enhance its essential interagency quality.

(G) Aiding the President, as the President may request, in preparing such rules and regulations as the President prescribes, for the planning, coordination, and execution of stabilization and reconstruction operations.

(H) Advising the Secretary of State and the Secretary of Defense, as the Secretary of
State or the Secretary of Defense may request, on any matters pertaining to the planning, coordination, and execution of stabilization and reconstruction operations.

(I) Planning and conducting, in cooperation with the Secretary of State, the Administrator of the United States Agency for International Development, the Secretary of Defense, and commanders of unified combatant commands or specified combatant commands, a series of exercises to test and evaluate doctrine relating to stabilization and reconstruction operations and procedures to be used in such operations.

(J) Executing, administering, and enforcing laws, rules, and regulations relating to the preparation, coordination, and execution of stabilization and reconstruction operations.

(K) Administering such funds as may be appropriated or otherwise made available for the preparation, coordination and execution of stabilization and reconstruction operations.

(L) Planning for the use of contractors who will be involved in stabilization and reconstruction operations, including coordinating
with the Secretary of State and the Secretary of Defense to ensure coordination of the work of such contractors with the work of contractors supporting—

(i) the Secretary of State; and

(ii) military operations and members of the Armed Forces.

(M) Prescribing standards and policies for project and financial reporting for all agencies involved in stabilization and reconstruction operations under the direction of the Office to ensure that all activities undertaken by such agencies are appropriately tracked and accounted for.

(N) Establishing an interagency training, preparation, and evaluation framework for all personnel deployed, or who may be deployed, in support of stabilization and reconstruction operations. Such training and preparation shall be developed and administered in partnership with such universities, colleges, or other institutions (whether public, private, or governmental) as the Director may determine and which agree to participate.
(4) Responsibilities of director for monitoring and evaluation requirements.—

(A) Evaluations.—The Director shall plan and conduct evaluations of the impact of stabilization and reconstruction operations carried out by the Office.

(B) Reports.—

(i) In general.—Not later than 30 days after the end of each fiscal-year quarter, the Director shall submit to the appropriate congressional committees a report summarizing all stabilization and reconstruction operations that are taking place under the supervision of the Director during the period of each such quarter and, to the extent possible, the period from the end of each such quarter to the time of the submission of each such report. Each such report shall include, for the period covered by each such report, a detailed statement of all obligations, expenditures, and revenues associated with such stabilization and reconstruction operations, including the following:
(I) Obligations and expenditures of appropriated funds.

(II) A project-by-project and program-by-program accounting of the costs incurred to date for the stabilization and reconstruction operation that are taking place, together with the estimate of any department or agency that is undertaking a project in or for the stabilization and reconstruction of such country, as applicable, of the costs to complete each project and each program.

(III) Revenues attributable to or consisting of funds provided by foreign countries or international organizations, and any obligations or expenditures of such revenues.

(IV) Revenues attributable to or consisting of foreign assets seized or frozen, and any obligations or expenditures of such revenues.

(V) An analysis on the impact of stabilization and reconstruction operations overseen by the Office, includ-
ing an analysis of civil-military coordi-
nation with respect to the Office.

(ii) **FORM.**—Each report under this
subsection may include a classified annex
if the Director determines such is appro-
priate.

(iii) **RULE OF CONSTRUCTION.**—Noth-
ing in this paragraph shall be construed to
authorize the public disclosure of informa-
tion that is specifically prohibited from dis-
closure by any other provision of law, spe-
cifically required by Executive order to be
protected from disclosure in the interest of
national defense or national security or in
the conduct of foreign affairs, or a part of
an ongoing criminal investigation.

(b) **DEPUTY DIRECTOR.**—

(1) **IN GENERAL.**—There shall be within the
Office a Deputy Director, who shall be—

(A) appointed by the President, by and
with the advice and consent of the Senate; and

(B) compensated at the rate of basic pay
for level III of the Executive Schedule under
section 5314 of title 5, United States Code.
(2) Functions.—The Deputy Director shall perform such functions as the Director may from time to time prescribe, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director.

(c) Associate Directors.—

(1) In general.—There shall be within the Office not more than two Associate Directors, who shall be—

(A) appointed by the President, by and with the advice and consent of the Senate; and

(B) compensated at the rate of basic pay for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(2) Functions.—The Associate Directors shall perform such functions as the Director may from time to time prescribe.

(3) Sense of Congress.—It is the sense of Congress that of the two Associate Directors referred to in this subsection—

(A) one should be highly experienced in defense matters; and

(B) one should be highly experienced in diplomacy and development matters.

(d) Functions of the President.—
(1) DECLARATION.—The President may, if the President finds that the circumstances and national security interests of the United States so require, declare that a stabilization and reconstruction emergency exists and shall determine the geographic extent and the date of the commencement of such emergency. The President may amend the declaration as circumstances warrant.

(2) TERMINATION.—If the President determines that a stabilization and reconstruction emergency declared under paragraph (1) is or will no longer be in existence, the President may terminate, immediately or prospectively, a prior declaration that such an emergency exists.

(3) PUBLICATION IN FEDERAL REGISTER.—Declarations under this subsection shall be published in the Federal Register.

(e) AUTHORITIES OF OFFICE FOLLOWING PRESIDENTIAL DECLARATION.—If the President declares a stabilization and reconstruction emergency pursuant to subsection (d), the President may delegate to the Director the authority to coordinate all Federal efforts with respect to such stabilization and reconstruction emergency, including the authority to direct any Federal agency to support such efforts, with or without reimbursement.
SEC. 104. PERSONNEL SYSTEM.

(a) PERSONNEL.—

(1) IN GENERAL.—The Director may select, appoint, and employ such personnel as may be necessary for carrying out the duties of the Office, subject to the provisions of title 5, United States Code, governing appointments in the excepted service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and may exercise the authorities of subsections (b) through (i) of section 3161 of title 5, United States Code (to the same extent and in the same manner as those authorities may be exercised by an organization described in subsection (a) of such section). In exercising the employment authorities under subsection (b) of such section 3161, paragraph (2) of such subsection (relating to periods of appointments) shall not apply.

(2) SUBDIVISIONS OF OFFICE; DELEGATION OF FUNCTIONS.—The Director may establish bureaus, offices, divisions, and other units within the Office. The Director may from time to time make provision for the performance of any function of the Director by any officer or employee, or office, division, or other unit of the Office.
(3) Reemployment Authorities.—The provisions of section 9902(g) of title 5, United States Code, shall apply with respect to the Office. For purposes of the preceding sentence, such provisions shall be applied—

(A) by substituting “the United States Office for Contingency Operations” for “the Department of Defense” each place it appears;

(B) by substituting “the Stabilization and Reconstruction Operations Interagency Enhancement Act of 2011” for “the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136)” in paragraph (2)(A) thereof; and

(C) by substituting “the Director of the United States Office for Contingency Operations” for “the Secretary” in paragraph (4) thereof.

(b) Interim Officers.—

(1) In general.—The President may authorize any persons who, immediately prior to the effective date of this Act, held positions in the Executive Branch of the Government, to act as Director, Deputy Director, Associate Director, and Inspector General of the Office until such positions are for the
first time filled in accordance with the provisions of this Act or by recess appointment, as the case may be.

(2) COMPENSATION.—The President may authorize any such person described in paragraph (1) to receive the compensation attached to the Office in respect of which such person so serves, in lieu of other compensation from the United States.

(e) CONTRACTING SERVICES.—

(1) IN GENERAL.—The Director may obtain services of experts and consultants as authorized by section 3109 of title 5, United States Code.

(2) ASSISTANCE.—To the extent and in such amounts as may be provided in advance by appropriations Acts, the Inspector General may enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and make such payments as may be necessary to carry out the duties of the Inspector General.

(d) INCENTIVIZING EXPERTISE IN PERSONNEL TASKED FOR STABILIZATION AND RECONSTRUCTION OPERATIONS.—

(1) STUDY.—The Director shall commission a study to measure the effectiveness of personnel in
stabilization and reconstruction operations. The study shall seek to identify the most appropriate qualifications for personnel and incentive strategies for agencies to effectively recruit and deploy employees to support stabilization and reconstruction operations.

(2) SENSE OF CONGRESS.—It is the sense of Congress that, in the selection and appointment of any individual for a position both within the Office and other agencies in support of stabilization and reconstruction operations, due consideration should be given to such individual’s expertise in such operations and interagency experience and qualifications.

TITLE II—PREPARING AND EXECUTING STABILITY AND RECONSTRUCTION OPERATIONS

SEC. 201. SOLE CONTROL.

The Director shall have sole control over the coordination of stabilization and reconstruction operations.

SEC. 202. RELATION TO DEPARTMENT OF STATE AND UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) COORDINATION.—

(1) IN GENERAL.—The Director shall to the greatest degree practicable coordinate with the Sec-
retary of State and the Administrator of the Agency for International Development regarding the Office’s plans for stabilization and reconstruction operations. The Director shall give the greatest possible weight to the views of the Secretary and the Administrator on matters within their jurisdiction. During a declaration under section 103 of a stabilization and reconstruction emergency, the Director shall work closely with the Secretary and the Administrator in planning, executing, and transitioning operations relevant to their respective jurisdictions.

(2) IN-COUNTRY.—During a stabilization and reconstruction emergency, the Director shall work closely with the Chief of Mission, or with the most senior Department of State or Agency for International Development officials responsible for the country in which such emergency exists, to ensure that the actions of the Office do not conflict with the foreign or development policies of the United States.

(b) DETAILING.—The heads of the various departments and agencies of the United States Government (other than the Secretary of Defense) shall provide for the detail on a reimbursable or nonreimbursable basis of such civilian personnel as may be agreed between such heads and the Director for the purposes of carrying out this Act.
The heads of such departments and agencies shall provide for appropriate recognition and career progress for individuals who are so detailed upon their return from such details.

SEC. 203. RELATION TO DEPARTMENT OF DEFENSE COMBATANT COMMANDS PERFORMING MILITARY MISSIONS.

(a) COORDINATION WITH SECRETARY OF DEFENSE AND COMBATANT COMMANDS.—To the greatest degree practicable, the Director shall coordinate with the Secretary of Defense and commanders of unified and specified combatant commands established under section 161 of title 10, United States Code, regarding the plans of the Office for stabilization and reconstruction operations.

(b) STAFF COORDINATION.—The Director shall detail personnel of the Office to serve on the staff of a combatant command to assist in planning when a military operation will involve likely Armed Forces interaction with non-combatant populations, so that plans for a stabilization and reconstruction operation related to a military operation—

(1) complement the work of military planners;

and

(2) as provided in subsection (c), ease interaction between civilian direct-hire employees and
contractors in support of the stabilization and reconstruction operation and the Armed Forces.

(c) LIMITATIONS.—

(1) DIRECTOR.—The authority of the Director shall not extend to small-scale programs (other than economic development programs of more than a de minimis amount) designated by the Secretary of Defense as necessary to promote a safe operating environment for the Armed Forces or other friendly forces.

(2) MILITARY ORDER.—Nothing in this Act shall be construed as permitting the Director or any of the personnel of the Office (other than a member of the Armed Forces assigned to the Office under subsection (e)) to issue a military order.

(d) SUPPORT.—

(1) ASSISTANCE REQUIRED.—The commanders of combatant commands shall provide assistance, to the greatest degree practicable, to the Director and the personnel of the Office as they carry out their responsibilities.

(2) PERSONNEL.—The Secretary of Defense shall provide for the detail or assignment, on a reimbursable or nonreimbursable basis, to the staff of the Office of such Department of Defense personnel
and members of the Armed Forces as may be agreed
between the Secretary and the Director as necessary
to carry out the duties of the Office.

SEC. 204. CONTINGENCY FEDERAL ACQUISITION REGULA-
TION.

(a) REQUIREMENT TO PRESCRIBE CONTINGENCY
FEDERAL ACQUISITION REGULATION.—The Director, in
consultation with the Director of the Office of Manage-
ment and Budget, shall prescribe a Contingency Federal
Acquisition Regulation. The Regulation shall apply, under
such circumstances as the Director prescribes, in lieu of
the Federal Acquisition Regulation with respect to con-
tracts intended for use in or with respect to stabilization
and reconstruction emergencies or in imminent or poten-
tial stabilization and reconstruction operations.

(b) PREFERENCE TO CERTAIN CONTRACTS.—It is
the sense of Congress that the Contingency Federal Acqui-
sition Regulation required by subsection (a) should include
provisions requiring an agency to give a preference to con-
tracts that appropriately, efficiently, and sustainably im-
plement programs and projects undertaken in support of
a stabilization and reconstruction operation.

(c) DEADLINE.—The Director shall prescribe the
Contingency Federal Acquisition Regulation required by
subsection (a) by the date occurring one year after the
date of the enactment of this Act. If the Director does not prescribe the Regulation by that date, the Director shall submit to Congress a statement explaining why the deadline was not met.

SEC. 205. STABILIZATION AND RECONSTRUCTION FUND.

(a) IN GENERAL.—There is established in the Treasury of the United States a fund, to be known as the “Stabilization and Reconstruction Emergency Reserve Fund”, to be administered by the Director at the direction of the President and with the consent of the Secretary of State and the Secretary of Defense for the following purposes with respect to a stabilization and reconstruction operation:

(1) Development of water and sanitation infrastructure.

(2) Providing food distribution and development of sustained production.

(3) Supporting relief efforts related to refugees, internally displaced persons, and vulnerable individuals, including assistance for families of innocent civilians who suffer losses as a result of military operations.

(4) Providing electricity.

(5) Providing healthcare relief and developing sustained healthcare.
(6) Development of telecommunications.

(7) Development of economic and financial policy.

(8) Development of education.

(9) Development of transportation infrastructure.

(10) Establishment and enforcement of rule of law.

(11) Humanitarian demining.

(12) Development of agriculture.

(13) Peace enforcement, peacekeeping, and post-conflict peacebuilding.

(14) Development of justice and public safety infrastructure.

(15) Development of security and law enforcement.

(16) Observation and enforcement of human rights.

(17) Development of governance, democratization, and building the capacity of government.

(18) Development of natural resource infrastructure.

(19) Establishment of environmental protection.

(20) Protection of vulnerable populations including women, children, the aged, and minorities.
(21) The operations of the Office.

(22) Any other purpose which the Director considers essential to address the emergency.

(b) Congressional Notification.—

(1) Presidential Direction.—At the time the President directs the Director to carry out or support an activity described in subsection (a), the President shall transmit to appropriate congressional committees a written notification of such direction.

(2) Activities in a Country.—Not less than 15 days before carrying out or supporting an activity described in subsection (a), the Director shall submit to the appropriate congressional committees information related to the budget, implementation timeline (including milestones), and transition strategy with respect to such activity and the stabilization or reconstruction operation at issue.

(c) Authorization of Appropriations.—There is authorized to the appropriated to the fund established under subsection (a) such sums as may be necessary to carry out the purposes specified in such subsection. Such sums—

(1) shall be available until expended;

(2) shall not be made available for obligation or expenditure until the President declares a stabiliza-
tion and reconstruction emergency pursuant to sec-

tion 103; and

(3) shall be in addition to any other funds made

available for such purposes.

TITLE III—RESPONSIBILITIES

OF THE INSPECTOR GENERAL

SEC. 301. INSPECTOR GENERAL.

(a) IN GENERAL.—There shall be within the Office

an Office of the Inspector General, the head of which shall

be the Inspector General of the United States Office for

Contingency Operations (in this Act referred to as the

“Inspector General”), who shall be appointed as provided

in section 3(a) of the Inspector General Act of 1978 (5

U.S.C. App.).

(b) TECHNICAL AMENDMENTS AND ADDITIONAL AU-

THORITIES.—The Inspector General Act of 1978 (5

U.S.C. App.) is amended—

(1) in section 12—

(A) in paragraph (1), by inserting “, or the

United States Office for Contingency Oper-

ations” after “the Director of the Federal

Housing Finance Agency”; and

(B) in paragraph (2), by inserting “the

United States Office for Contingency Oper-
ations,” after “the Federal Housing Finance Agency,”;

(2) in section 8J, by striking “8E or 8F” and inserting “8E, 8F, or 8M”; and

(3) by inserting after section 8L the following new section:

“SEC. 8M. SPECIAL PROVISIONS CONCERNING THE INSPECTOR GENERAL OF THE UNITED STATES OFFICE FOR CONTINGENCY OPERATIONS.

“(a) Special Audit and Investigative Authority.—

“(1) In general.—When directed by the President, or otherwise provided by law, and in addition to the other duties and responsibilities specified in this Act, the Inspector General of the United States Office for Contingency Operations—

“(A) shall, with regard to the activities of the United States Office for Contingency Operations, have special audit and investigative authority over all accounts, spending, programs, projects, and operations; and

“(B) shall have special audit and investigative authority over the activities described in paragraph (2).
“(2) Activities described.—The activities described in this paragraph are activities funded or undertaken by the United States Government that are not undertaken by or under the direction or supervision of the Director of the United States Office for Contingency Operations—

“(A) in response to emergencies, destabilization, armed conflict, or events that otherwise require stabilization or reconstruction operations;

“(B) where a rapid response by the United States is required or anticipated to be required; and

“(C) where the Inspector General is more well-suited than the implementing department or agency to engage rapidly in audit and investigative activities.

“(3) Administrative operations.—In any case in which the Inspector General of the United States Office for Contingency Operations is exercising or preparing to exercise special audit and investigative authority under this subsection, the head of any department or agency undertaking or preparing to undertake the activities described in paragraph (2) shall provide such Inspector General with
appropriate and adequate office space within the offices of such department or agency or at appropriate locations of that department or agency overseas, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of such offices, and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

“(b) Additional Duties.—

“(1) In general.—It shall be the duty of the Inspector General of the United States Office for Contingency Operations to conduct, supervise, and coordinate audits and investigations of the treatment, handling, and expenditure of amounts appropriated or otherwise made available for activities to be carried out by or under the direction or supervision of the Director of the United States Office for Contingency Operations, or for activities subject to the special audit and investigative authority of such Inspector General under subsection (a), and of the programs, operations, and contracts carried out utilizing such funds, including—

“(A) the oversight and accounting of the obligation and expenditure of such funds;
“(B) the monitoring and review of activities funded by such funds;

“(C) the monitoring and review of contracts funded by such funds;

“(D) the monitoring and review of the transfer of such funds and associated information between and among departments, agencies, and entities of the United States, and private and nongovernmental entities; and

“(E) the maintenance of records on the use of such funds to facilitate future audits and investigations of the use of such funds.

“(2) Systems, procedures, and controls.—The Inspector General of the United States Office for Contingency Operations shall establish, maintain, and oversee such systems, procedures, and controls as such Inspector General considers appropriate to discharge the duty under paragraph (1).

“(c) Personnel Authority.—

“(1) In general.—The Inspector General of the United States Office for Contingency Operations may select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office, subject to the provisions of title 5, United States Code, gov-
erning appointments in the excepted service, and the
provisions of chapter 51 and subchapter III of chap-
ter 53 of such title, relating to classification and
General Schedule pay rates.

“(2) EMPLOYMENT AUTHORITY.—The Inspect-
ator General of the United States Office for Conting-
gency Operations may exercise the authorities of
subsections (b) through (i) of section 3161 of title
5, United States Code (without regard to subsection
(a) of that section). In exercising the employment
authorities under subsection (b) of section 3161 of
title 5, United States Code, as provided under para-
graph (1) of this subsection, paragraph (2) of such
subsection (b) (relating to periods of appointments)
shall not apply.

“(3) EXEMPTION.—Section 6(a)(7) shall not
apply with respect to the Inspector General of the
United States Office for Contingency Operations.

“(d) REPORTS.—

“(1) QUARTERLY REPORTS.—

“(A) IN GENERAL.—Not later than 60
days after the end of each fiscal-year quarter,
the Inspector General of the United States Of-
office for Contingency Operations shall submit to
the appropriate committees of Congress a re-
port in accordance with subparagraph (B) that
summarizes for the period of that quarter and,
to the extent possible, the period from the end
of such quarter to the time of the submission
of the report, the activities of such Inspector
General and the activities under programs and
operations funded with amounts appropriated
or otherwise made available for activities car-
rried out by or under the direction or supervision
of the Director of the United States Office for
Contingency Operations.

“(B) C ONTENTS OF QUARTERLY RE-
port.—Each report submitted pursuant to sub-
paragraph (A) shall include, for the period cov-
ered by such report, a detailed statement of all
obligations, expenditures, and revenues associ-
ated with reconstruction and rehabilitation ac-
tivities by or under the direction or supervision
of the Director of the United States Office for
Contingency Operations, or under the special
audit and investigative authority under sub-
section (a) of the Inspector General of the
United States Office for Contingency Oper-
ations, and segregated by area (as may be pre-
scribed by such Inspector General), including the following:

“(i) Obligations and expenditures of appropriated funds.

“(ii) A project-by-project and program-by-program accounting of the costs incurred to date by such Office or under the direction or supervision of such Office, or under the special audit and investigative authority of such Inspector General, for each stabilization and reconstruction operation, together with the estimate of the department or agency of the United States, as applicable, of the costs to complete each project and each program.

“(iii) Revenues attributable to or consisting of funds provided by foreign countries or international organizations, and any obligations or expenditures of such revenues.

“(iv) Revenues attributable to or consisting of foreign assets seized or frozen, and any obligations or expenditures of such revenues.
“(v) Operating expenses of departments, agencies, or other entities receiving
amounts appropriated or otherwise made
available to or obligated or expended under
the direction or supervision of such Director.

“(vi) In the case of a covered con-
tract—

“(I) the amount of such contract;

“(II) a brief discussion of the
scope of such contract;

“(III) a discussion of how the
relevant department, agency, or other
entity identified, and solicited offers
from, potential contractors to perform
the contract, together with a list of
the potential contractors that were
issued solicitations for the offers; and

“(IV) the extent to which com-
petitive procedures were used for such
contract.

“(C) REPORT COORDINATION.—Each re-
port under this paragraph shall be furnished to
the head of the establishment involved not later
than 30 days after the submission of the report
under subparagraph (A) and shall be trans-
mitted by such head to the appropriate commit-
tees of the Congress not later than 30 days
after receipt of the report, together with a re-
port by the head of the establishment con-
taining any comments such head determines ap-
propriate, including a classified annex if such
head considers it necessary.

“(2) SEMIANNUAL REPORTS.—The Inspector
General of the United States Office for Contingency
Operations shall submit to the appropriate commit-
tees a semiannual report that includes a summary of
the activities of the Office, including activities de-
scribed in paragraphs (1) through (13) of section
5(a) of this Act. The first such report for a year,
covering the first six months of the year, shall be
submitted not later than August 30 of that year,
and the second such report, covering the second six
months of the year, shall be submitted not later than
February 28 of the following year.

“(3) WAIVER.—

“(A) IN GENERAL.—The President may
waive any of the requirements to be included in
the reports under paragraph (1) or (2) if the
President determines that the waiver is justified for national security reasons.

“(B) Notice of waiver.—The President shall publish a notice of each waiver made under this paragraph in the Federal Register not later than the date on which the report for which a waiver was made is required to be submitted to Congress under paragraph (1) or (2).

“(C) Description of waiver in report.—The reports required under paragraph (1) or (2) shall specify whether waivers under this paragraph were made and with respect to which requirements.

“(4) Reports under section 5 of this act.—

“(A) In general.—In addition to reports otherwise required to be submitted under this subsection, the Inspector General of the United States Office for Contingency Operations—

“(i) may issue periodic reports of a similar nature to the quarterly reports submitted under paragraph (1) with respect to activities subject to the special audit and investigative authority of such Inspector General under subsection (a); and
“(ii) if such Inspector General did not engage, during any six month period, in audit or investigation activities with respect to activities carried out under the direction or supervision of the Director, shall issue a report, not later than six months after the previous report was issued under this subsection that includes a summary of the activities of the Office, including activities described in paragraphs (1) through (13) of section 5(a) of this Act.

“(B) EXEMPTION.—The Inspector General of the United States Office for Contingency Operations is not required to provide reports under section 5 of this Act.

“(5) LANGUAGE OF REPORTS.—The Inspector General of the United States Office for Contingency Operations shall publish each report under this subsection in both English and to the degree that the Inspector General shall prescribe, in languages relevant to the host country.

“(6) FORM OF SUBMISSION.—Each report under this subsection may include a classified annex if the Inspector General of the United States Office for Contingency Operations considers it necessary.
“(7) Disclosure of certain information.—Nothing in this subsection shall be construed to authorize the public disclosure of information that is—

“(A) specifically prohibited from disclosure by any other provision of law;

“(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

“(C) a part of an ongoing criminal investigation.

“(e) Definitions.—In this section:

“(1) Appropriate committees.—The term ‘appropriate committees’ means—

“(A) the Committees on Appropriations, Armed Services, Foreign Affairs, and Oversight and Government Reform of the House of Representatives; and

“(B) the Committees on Appropriations, Armed Services, Foreign Relations, and Homeland Security and Governmental Affairs of the Senate.

“(2) Covered contract.—The term ‘covered contract’ means a contract entered into by any de-
partment or agency, with any public or private sec-
tor entity, in any geographic area with regard to a stabilization or reconstruction operation or where the Inspector General of the United States Office for Contingency Operations is exercising its special audit or investigative authority for the performance of any of the following:

“(A) To build or rebuild physical infra-
structure of such area.

“(B) To establish or reestablish a political or governmental institution of such area.

“(C) To provide products or services to the local population of the area.

“(3) DEPARTMENT OR AGENCY.—The term ‘de-
partment or agency’ means any agency as defined under section 551 of title 5, United States Code.

“(4) STABILIZATION AND RECONSTRUCTION OP-
eration.—The term ‘stabilization and reconstruc-
tion operation’ has the meaning given the term in section 2 of the Stabilization and Reconstruction Operations Interagency Enhancement Act of 2011.”.

(c) TRANSFER AND TERMINATION OF THE OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR AFGHAN-
stan RECONSTRUCTION AND THE OFFICE OF THE SPE-
CIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION.—

(1) TRANSFER.—The following shall be transferred to the Office of the Inspector General of the United States Office for Contingency Operations:

(A)(i) All functions vested by law on the day before the effective date of this Act in the Office of the Special Inspector General for Iraq Reconstruction or the Inspector General of such office.

(ii) All functions vested by law on the day before the effective date of this Act in the Office of the Special Inspector General for Afghanistan Reconstruction or the Inspector General of such office.

(B) All personnel, assets, and liabilities of the Office of the Special Inspector General for Iraq Reconstruction, and all personnel, assets, and liabilities of the Office of the Special Inspector General for Afghanistan Reconstruction.

(2) EXERCISE OF FUNCTIONS.—The Inspector General shall exercise all functions transferred by paragraph (1)(A) on and after the effective date of this Act.
(3) PERSONNEL CLASSIFICATION AND COMPENSATION.—The transfer of personnel pursuant to paragraph (1)(B) shall not alter the terms and conditions of employment, including compensation and classification, of any employee so transferred.

(4) TERMINATION.—

(A) IRAQ RECONSTRUCTION FUNCTIONS.—

(i) IN GENERAL.—The authority of the Inspector General to exercise the functions transferred by paragraph (1)(A)(i) shall terminate 180 days after the date on which amounts appropriated or otherwise made available for the reconstruction of Iraq that are unexpended are less than $250,000,000.

(ii) DEFINITION.—In clause (i), the term “amounts appropriated or otherwise made available for the reconstruction of Iraq” has the meaning given the term in section 3001(m) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1238; 5 U.S.C. App., note to section
8G), as such section was in effect on the
day before the effective date of this Act.

(B) AFGHANISTAN RECONSTRUCTION
FUNCTIONS.—

(i) IN GENERAL.—The authority of
the Inspector General to exercise the func-
tions transferred by paragraph (1)(A)(ii)
shall terminate 180 days after the date on
which amounts appropriated or otherwise
made available for the reconstruction of
Afghanistan that are unexpended are less
than $250,000,000.

(ii) DEFINITION.—In clause (i), the
term “amounts appropriated or otherwise
made available for the reconstruction of
Afghanistan” has the meaning given the
term in section 1229(m) of the National
Defense Authorization Act for Fiscal Year
384), as such section was in effect on the
day before the effective date of this Act.

(5) REPEALS.—The following provisions of law
are repealed:

(A) Section 3001 of the Emergency Sup-
plemental Appropriations Act for Defense and
for the Reconstruction of Iraq and Afghanistan,

2004 (Public Law 108–106; 117 Stat. 1234; 5
U.S.C. App., note to section 8G).

(B) Section 1229 of the National Defense
Authorization Act for Fiscal Year 2008 (Public

(d) Savings Provisions.—

(1) Completed Administrative Actions.—

(A) Completed administrative actions of the Office
of the Special Inspector General for Afghanistan Re-
construction and the Office of the Special Inspector
General for Iraq Reconstruction shall not be affected
by the enactment of this Act or the transfer of such
offices to the Office of the Inspector General of the
United States Office for Contingency Operations,
but shall continue in effect according to their terms
until amended, modified, superseded, terminated, set
aside, or revoked in accordance with law by an offi-
cer of the United States or a court of competent ju-
risdiction, or by operation of law.

(B) For purposes of paragraph (1), the term
“completed administrative action” includes orders,
determinations, rules, regulations, personnel actions,
permits, agreements, grants, contracts, certificates,
licenses, registrations, and privileges.
2 (2) Pending civil actions.—Pending civil actions shall continue notwithstanding the enactment of this Act or the transfer of the Office of the Special Inspector General for Afghanistan Reconstruction and the Office of the Special Inspector General for Iraq Reconstruction to the Office of the Inspector General of the United States Office for Contingency Operations, and in such civil actions, proceedings shall be had, appeals taken, and judgments rendered and enforced in the same manner and with the same effect as if such enactment or transfer had not occurred.

(3) References.—References relating to the Office of the Special Inspector General for Afghanistan Reconstruction and the Office of the Special Inspector General for Iraq Reconstruction that is transferred to the Office of the Inspector General of the United States Office for Contingency Operations in statutes, Executive orders, rules, regulations, directives, or delegations of authority that precede such transfer or the effective date of this Act shall be deemed to refer, as appropriate, to the Office of the Inspector General of the United States Office for Contingency Operations, to its officers, employees,
or agents, or to its corresponding organizational units or functions.

**TITLE IV—RESPONSIBILITIES OF OTHER AGENCIES**

**SEC. 401. RESPONSIBILITIES OF OTHER AGENCIES FOR MONITORING AND EVALUATION REQUIREMENTS.**

The head of any agency under the authority of the Director in support of a stabilization and reconstruction operation pursuant to section 103 shall submit to the Director—

(1) on-going evaluations of the impact of such stabilization and reconstruction operation on such agency, including an assessment of interagency coordination in support of such operation;

(2) any information the Director requests, including reports, evaluations, analyses, or assessments, to permit the Director to satisfy the quarterly reporting requirement under section 103(a)(4); and

(3) an identification, within each such agency, of all current and former employees skilled in crisis response, including employees employed by contract, and information regarding each such agency’s authority mechanisms to reassign or reemploy such
skilled personnel and mobilize rapidly associated resources in response to such operation.

SEC. 402. TRANSITION OF STABILIZATION AND RECONSTRUCTION OPERATIONS.

(a) TERMINATION.—Upon Presidential termination of a stabilization and reconstruction emergency pursuant to section 103(d)(2), any effort of a Federal agency under the authority of the Director pursuant to section 103 in support of a related stabilization and reconstruction operation shall return to the authority of such agency.

(b) SCALE-DOWN OPERATIONS.—The President, in consultation with the Director, the Secretary of State, and the Secretary of Defense, shall delegate to appropriate Federal agencies post-stabilization and reconstruction emergency operations.

SEC. 403. SENSE OF CONGRESS.

It is the sense of Congress that, to the extent possible, the Director and staff should partner with the country in which a stabilization and reconstruction operation is taking place, other foreign government partners, international organizations, and local nongovernmental organizations throughout the planning, implementation, and particularly during the transition stages of such operations to facilitate long term capacity building and sustainability of initiatives.
TITLE V—AUTHORIZATION OF APPROPRIATIONS

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act for each of fiscal years 2011 through 2016. Any amounts appropriated to carry out this Act shall remain available until expended.

SEC. 502. OFFSET OF COSTS IN ESTABLISHMENT OF OFFICE.

Notwithstanding any other provision of law, the Director of the Office shall—

(1) adjust or eliminate such initiatives, positions, and programs to be incorporated within the Office (other than within the Office of Inspector General) as the Director determines necessary to ensure any costs incurred to carry out the provisions of this Act in excess of amounts previously expended for such activities are entirely offset; and

(2) report to Congress not later than 60 days after the date of the enactment of this Act the actions taken to ensure compliance with paragraph (1), including the specific initiatives, positions, and programs that have been adjusted or eliminated to
ensure that the costs of carrying out this Act will be offset.